

# House File 2691 - Introduced

HOUSE FILE \_\_\_\_\_  
BY COMMITTEE ON WAYS AND MEANS  
  
(SUCCESSOR TO HF 2562)  
(SUCCESSOR TO HSB 628)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to and increasing motor vehicle and trailer  
2 registration fees and title fees, allocating new revenues from  
3 fees to the TIME=21 fund, requiring the department of  
4 transportation to conduct an analysis of TIME=21 funding and a  
5 study of public transit funding, increasing the motorcycle  
6 operator's license fee and allocating the increased revenue to  
7 the motorcycle rider education fund, reallocating certain fees  
8 collected by the department of transportation, repealing the  
9 use tax on vehicles subject to registration and the use tax on  
10 certain leased motor vehicles, establishing a fee for new  
11 registration of vehicles, providing penalties, and providing  
12 effective and applicability dates.  
13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
14 TLBS 5811HZ 82  
15 dea/nh/24

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1 1 DIVISION I  
1 2 MOTOR VEHICLES  
1 3 Section 1. Section 312.2, Code Supplement 2007, is amended  
1 4 by adding the following new subsection:  
1 5 NEW SUBSECTION. 19. a. The treasurer of state, before  
1 6 making the allotments provided for in this section, shall  
1 7 credit annually to the TIME=21 fund created in section 312A.2,  
1 8 the revenue accruing to the road use tax fund from annual  
1 9 motor vehicle registration fees for passenger cars,  
1 10 multipurpose vehicles, and motor trucks in excess of three  
1 11 hundred ninety-two million dollars annually.  
1 12 b. This subsection is repealed June 30, 2028.  
1 13 Sec. 2. Section 321.1, Code 2007, is amended by adding the  
1 14 following new subsection:  
1 15 NEW SUBSECTION. 7A. "Business=trade truck" means a motor  
1 16 truck with an unladen weight of ten thousand pounds or less  
1 17 which is owned by a corporation, limited liability company, or  
1 18 partnership or by a person who files a schedule C or schedule  
1 19 F form with the federal internal revenue service and which is  
1 20 eligible for depreciation under section 167 of the Internal  
1 21 Revenue Code. If the motor truck is a leased vehicle, the  
1 22 motor truck is a business=trade truck only if the lessee is a  
1 23 corporation, limited liability company, or partnership and the  
1 24 truck is used primarily for purposes of the business  
1 25 operations of the corporation, limited liability company, or  
1 26 partnership or the lessee is a person who files a schedule C  
1 27 or schedule F form with the federal internal revenue service  
1 28 and the truck is used primarily for purposes of the person's  
1 29 own business or farming operation.  
1 30 Sec. 3. Section 321.109, subsection 1, paragraph a, Code  
1 31 2007, is amended to read as follows:  
1 32 a. The annual fee for all motor vehicles including  
1 33 vehicles designated by manufacturers as station wagons, ~~and~~  
1 34 1993 and subsequent model ~~years for year~~ multipurpose  
1 35 vehicles, ~~and 2010 and subsequent model year motor trucks with~~  
2 1 ~~an unladen weight of ten thousand pounds or less, except motor~~  
2 2 ~~trucks registered under section 321.122, business=trade~~  
2 3 ~~trucks, special trucks, motor homes, ambulances, hearses,~~  
2 4 ~~motorcycles, motorized bicycles, and 1992 and older model~~  
2 5 ~~years for year~~ multipurpose vehicles, shall be equal to one  
2 6 percent of the value as fixed by the department plus forty  
2 7 cents for each one hundred pounds or fraction thereof of

weight of vehicle, as fixed by the department. The weight of a motor vehicle, fixed by the department for registration purposes, shall include the weight of a battery, heater, bumpers, spare tire, and wheel. Provided, however, that for any new vehicle purchased in this state by a nonresident for removal to the nonresident's state of residence the purchaser may make application to the county treasurer in the county of purchase for a transit plate for which a fee of ten dollars shall be paid. And provided, however, that for any used vehicle held by a registered dealer and not currently registered in this state, or for any vehicle held by an individual and currently registered in this state, when purchased in this state by a nonresident for removal to the nonresident's state of residence, the purchaser may make application to the county treasurer in the county of purchase for a transit plate for which a fee of three dollars shall be paid. The county treasurer shall issue a nontransferable certificate of registration for which no refund shall be allowed; and the transit plates shall be void thirty days after issuance. Such purchaser may apply for a certificate of title by surrendering the manufacturer's or importer's certificate or certificate of title, duly assigned as provided in this chapter. In this event, the treasurer in the county of purchase shall, when satisfied with the genuineness and regularity of the application, and upon payment of a fee of ten dollars, issue a certificate of title in the name and address of the nonresident purchaser delivering the title to the owner. If there is a security interest noted on the title, the county treasurer shall mail to the secured party an acknowledgment of the notation of the security interest. The county treasurer shall not release a security interest that has been noted on a title issued to a nonresident purchaser as provided in this paragraph. The application requirements of section 321.20 apply to a title issued as provided in this subsection, except that a natural person who applies for a certificate of title shall provide either the person's social security number, passport number, or driver's license number, whether the license was issued by this state, another state, or another country. The provisions of this subsection relating to multipurpose vehicles are effective ~~January 1, 1993~~, for all 1993 and subsequent model years. The annual registration fee for multipurpose vehicles that are 1992 model years and older shall be in accordance with section 321.124.

Sec. 4. Section 321.113, Code 2007, is amended to read as follows:

321.113 AUTOMATIC REDUCTION.

1. The annual registration fee for a motor vehicle shall not be automatically reduced under this section unless the ~~registration~~ fee is based on the value and weight of the motor vehicle as provided in section 321.109, subsection 1.

2. If a motor vehicle is more than ~~five~~ seven model years old, the part of the annual registration fee that is based on the value of the vehicle shall be seventy-five percent of the rate as fixed when the motor vehicle was new and the total fee shall not be less than fifty dollars; except that if the registration is a renewal for a vehicle registered to the same owner prior to January 1, 2009, the annual registration fee shall not be more than the fee paid for the previous registration year.

3. If a motor vehicle is more than ~~six~~ nine model years old, the part of the annual registration fee that is based on the value of the vehicle shall be fifty percent of the rate as fixed when the motor vehicle was new and the total fee shall not be less than fifty dollars; except that if the registration is a renewal for a vehicle registered to the same owner prior to January 1, 2009, the annual registration fee shall not be more than the fee paid for the previous registration year.

4. ~~If a 1994 model year or newer motor vehicle is nine model years old or older the registration fee is thirty-five dollars. For purposes of determining the portion of the registration fee under this subsection that is based upon the value of the motor vehicle, sixty percent of the registration fee is attributable to the value of the vehicle.~~

5. ~~a. If a 1993 model year or older motor vehicle has been titled in the same person's name since the vehicle was new or the title to the vehicle was transferred prior to January 1, 2002, the part of the registration fee that is based on the value of the vehicle shall be ten percent of the rate as fixed when the motor vehicle was new.~~

b. If the title of a 1993 model year or older motor

~~4 19 vehicle is transferred to a new owner or if such a motor~~  
~~4 20 vehicle is brought into the state on or after January 1, 2002,~~  
~~4 21 the registration fee shall not be based on the weight and list~~  
~~4 22 price of the motor vehicle, but shall be as follows:~~  
4 23 (1) For a motor vehicle that is model year  
4 24 1969 or older:..... \$ 16.00  
4 25 (2) For a motor vehicle that is model year  
4 26 1970 through 1989:..... \$ 23.00  
4 27 (3) For a motor vehicle that is model year  
4 28 1990 through 1993:..... \$ 27.00  
4 29 For purposes of determining the portion of the registration  
4 30 fee under this paragraph "b" that is based upon the value of  
4 31 the motor vehicle, sixty percent of the registration fee is  
4 32 attributable to the value of the vehicle.  
4 33 4. a. Except as provided in paragraph "b", if a motor  
4 34 vehicle is twelve model years old or older, the annual  
4 35 registration fee is fifty dollars; except that if the  
5 1 registration is a renewal for a vehicle registered to the same  
5 2 owner prior to January 1, 2009, the annual registration fee  
5 3 shall not be more than the fee paid for the previous  
5 4 registration year.  
5 5 b. If the registration is a renewal for a motor vehicle  
5 6 registered as an antique vehicle by the same owner prior to  
5 7 January 1, 2009, the annual registration fee shall be  
5 8 twenty-three dollars for a motor vehicle that is model year  
5 9 1970 through 1983 and sixteen dollars for a motor vehicle that  
5 10 is model year 1969 or older.  
5 11 c. For purposes of determining the portion of an annual  
5 12 registration fee under paragraph "a" or "b" that is based upon  
5 13 the value of the motor vehicle, sixty percent of the annual  
5 14 registration fee is attributable to the value of the vehicle.  
5 15 Sec. 5. NEW SECTION. 321.120 BUSINESS=TRADE TRUCKS.  
5 16 1. The annual registration fee for a business=trade truck  
5 17 shall be determined pursuant to section 321.122, subsection 1,  
5 18 paragraph "a".  
5 19 2. Upon application for a new registration, an owner who  
5 20 registers a motor vehicle as a business=trade truck shall be  
5 21 required to provide proof or affirm that the vehicle meets the  
5 22 definition of a business=trade truck. The department may  
5 23 adopt rules as necessary to prescribe the documentation  
5 24 required of the applicant as proof or affirmation under this  
5 25 subsection but shall not require that such documentation be  
5 26 notarized. If requested by the department of transportation  
5 27 or a county treasurer, the department of revenue shall confirm  
5 28 or refute, according to the most recent records available,  
5 29 that an applicant for registration of a business=trade truck  
5 30 is either a corporation, limited liability company, or  
5 31 partnership or a person who files a schedule C or schedule F  
5 32 form for federal income tax purposes and that the corporation,  
5 33 limited liability company, partnership, or person is allowed a  
5 34 depreciation deduction with respect to the vehicle under  
5 35 section 167 of the Internal Revenue Code.  
6 1 3. Upon approval of the application and payment of the  
6 2 proper fees, the county treasurer shall issue registration  
6 3 plates for the vehicle which distinguish the vehicle as a  
6 4 business=trade truck.  
6 5 4. If the department determines by audit or other means  
6 6 that a person has registered a vehicle as a business=trade  
6 7 truck that is not qualified for such registration, the person  
6 8 shall be required to pay the difference between the regular  
6 9 annual registration fees owed for the vehicle for each year  
6 10 the vehicle was registered in violation of this section and  
6 11 the fees actually paid.  
6 12 5. If the department determines by audit or other means  
6 13 that the person had knowingly registered a vehicle as a  
6 14 business=trade truck that is not qualified for such  
6 15 registration, the person shall be required to pay a penalty  
6 16 for improper registration in the amount of seven hundred fifty  
6 17 dollars for each registration year in which the vehicle was  
6 18 registered in violation of this section, not to exceed two  
6 19 thousand two hundred fifty dollars.  
6 20 Sec. 6. Section 321.121, Code 2007, is amended to read as  
6 21 follows:  
6 22 321.121 SPECIAL TRUCKS FOR FARM USE.  
6 23 1. a. Except as provided in paragraph "b", the annual  
6 24 registration fee for a special truck with a gross weight of  
6 25 six tons shall be one hundred dollars, and the annual  
6 26 registration fee for a special truck with a gross weight  
6 27 exceeding six tons but not exceeding eighteen tons shall be as  
6 28 follows:  
6 29 The annual

6 30	For a gross	And not	registration
6 31	weight exceeding:	exceeding:	fee shall be:
6 32	6 Tons .....	7 Tons .....	\$ 125
6 33	7 Tons .....	8 Tons .....	\$ 155
6 34	8 Tons .....	9 Tons .....	\$ 170
6 35	9 Tons .....	10 Tons .....	\$ 190
7 1	10 Tons .....	11 Tons .....	\$ 205
7 2	11 Tons .....	12 Tons .....	\$ 225
7 3	12 Tons .....	13 Tons .....	\$ 245
7 4	13 Tons .....	14 Tons .....	\$ 265
7 5	14 Tons .....	15 Tons .....	\$ 280
7 6	15 Tons .....	16 Tons .....	\$ 295
7 7	16 Tons .....	17 Tons .....	\$ 305
7 8	17 Tons .....	18 Tons .....	\$ 315

7 9 b. ~~The~~ If the registration is a renewal for a special  
7 10 truck registered to the same owner prior to January 1, 2009,  
7 11 the annual registration fee for a special truck shall be  
7 12 eighty dollars for a gross weight of six tons, one hundred  
7 13 dollars for a gross weight of seven tons, one hundred twenty  
7 14 dollars for a gross weight of eight tons, and in addition,  
7 15 fifteen dollars for each ton over eight tons and not exceeding  
7 16 eighteen tons.

7 17 c. The registration fee for a special truck with a gross  
7 18 weight registration exceeding eighteen tons but not exceeding  
7 19 nineteen tons shall be three hundred twenty-five dollars and  
7 20 for a gross weight registration exceeding nineteen tons but  
7 21 not exceeding twenty tons the registration fee shall be three  
7 22 hundred seventy-five dollars.

7 23 d. The additional registration fee for a special truck for  
7 24 a gross weight registration in excess of twenty tons is  
7 25 twenty-five dollars for each ton over twenty tons and not  
7 26 exceeding thirty-two tons.

7 27 2. A person convicted of or found by audit to be using a  
7 28 motor vehicle registered as a special truck for any purpose  
7 29 other than permitted by section 321.1, subsection 76, shall,  
7 30 in addition to any other penalty imposed by law, be required  
7 31 to pay regular motor vehicle registration fees upon such motor  
7 32 vehicle.

7 33 Sec. 7. Section 321.122, subsection 1, Code 2007, is  
7 34 amended to read as follows:

7 35 1. The annual registration fee for truck tractors, road  
8 1 tractors, and motor trucks, except 2010 and subsequent model  
8 2 year motor trucks required to be registered under section  
8 3 321.109 and motor trucks registered as special trucks, shall  
8 4 be based on the combined gross weight of the vehicle or  
8 5 combination of vehicles. All such trucks, truck tractors, or  
8 6 road tractors registered under this section shall be  
8 7 registered for a gross weight equal to or in excess of the  
8 8 unladen weight of the vehicle or combination of vehicles. The  
8 9 annual registration fee for such vehicles or combination of  
8 10 vehicles, except special trucks, shall be ~~the applicable fee~~  
8 11 under paragraph "a" or "b".

~~8 12 a. (1) For a combined gross weight of three tons or less~~  
~~8 13 sixty-five dollars and a vehicle which is more than ten model~~  
~~8 14 years old fifty-five dollars and a vehicle which is more than~~  
~~8 15 thirteen model years old forty-five dollars and a vehicle~~  
~~8 16 which is more than fifteen years old thirty-five dollars For a~~  
~~8 17 combined gross weight of three tons or less, the annual~~  
~~8 18 registration fee is one hundred fifty dollars; for such a~~  
~~8 19 vehicle more than seven model years old, one hundred twenty~~  
~~8 20 dollars; for such a vehicle more than nine model years old,~~  
~~8 21 one hundred dollars; and for such a vehicle twelve model years~~  
~~8 22 old or older, fifty dollars.~~

8 23 ~~b. (2)~~ For a combined gross weight exceeding three tons,  
8 24 the annual registration fee shall be as set forth in the  
8 25 following schedule:

8 26	For a combined	And not	The annual
8 27	gross weight	exceeding:	registration
8 28	exceeding:		fee shall be:
8 29	3 Tons .....	4 Tons .....	\$ <del>80</del>
8 30			<u>165</u>
8 31	4 Tons .....	5 Tons .....	\$ <del>90</del>
8 32			<u>180</u>
8 33	5 Tons .....	6 Tons .....	\$ <del>105</del>
8 34			<u>195</u>
8 35	6 Tons .....	7 Tons .....	\$ <del>130</del>
9 1			<u>215</u>
9 2	7 Tons .....	8 Tons .....	\$ <del>165</del>
9 3			<u>220</u>
9 4	8 Tons .....	9 Tons .....	\$ <del>200</del>
9 5			<u>225</u>

9	6	9 Tons	10 Tons	\$	235
9	7	10 Tons	11 Tons	\$	270
9	8	11 Tons	12 Tons	\$	305
9	9	12 Tons	13 Tons	\$	340
9	10	13 Tons	14 Tons	\$	375
9	11	14 Tons	15 Tons	\$	445
9	12	15 Tons	16 Tons	\$	485
9	13	16 Tons	17 Tons	\$	525
9	14	17 Tons	18 Tons	\$	565
9	15	18 Tons	19 Tons	\$	610
9	16	19 Tons	20 Tons	\$	675
9	17	20 Tons	21 Tons	\$	715
9	18	21 Tons	22 Tons	\$	755
9	19	22 Tons	23 Tons	\$	795
9	20	23 Tons	24 Tons	\$	835
9	21	24 Tons	25 Tons	\$	965
9	22	25 Tons	26 Tons	\$	1,010
9	23	26 Tons	27 Tons	\$	1,060
9	24	27 Tons	28 Tons	\$	1,105
9	25	28 Tons	29 Tons	\$	1,150
9	26	29 Tons	30 Tons	\$	1,200
9	27	30 Tons	31 Tons	\$	1,245
9	28	31 Tons	32 Tons	\$	1,295
9	29	32 Tons	33 Tons	\$	1,340
9	30	33 Tons	34 Tons	\$	1,415
9	31	34 Tons	35 Tons	\$	1,465
9	32	35 Tons	36 Tons	\$	1,510
9	33	36 Tons	37 Tons	\$	1,555
9	34	37 Tons	38 Tons	\$	1,605
9	35	38 Tons	39 Tons	\$	1,650
10	1	39 Tons	40 Tons	\$	1,695

10 2 b. If the registration is a renewal for a motor vehicle  
10 3 with a combined gross weight of nine tons or less registered  
10 4 to the same owner prior to January 1, 2009, the following

10 5 applies:

10 6 (1) For a combined gross weight of three tons or less, the  
10 7 annual registration fee is sixty-five dollars; for such a  
10 8 vehicle which is more than ten model years old, fifty-five  
10 9 dollars; for such a vehicle which is more than thirteen model  
10 10 years old, forty-five dollars; and for such a vehicle which is  
10 11 more than fifteen model years old, thirty-five dollars.

10 12 (2) For a combined gross weight exceeding three tons but  
10 13 not exceeding nine tons, the annual registration fee shall be  
10 14 as set forth in the following schedule:

<u>For a combined</u>	<u>And not</u>	<u>The annual</u>
<u>gross weight</u>	<u>exceeding:</u>	<u>registration</u>
<u>10 17 exceeding:</u>		<u>fee shall be:</u>
10 18 <u>3 Tons</u>	10 18 <u>4 Tons</u>	10 18 <u>\$ 80</u>
10 19 <u>4 Tons</u>	10 19 <u>5 Tons</u>	10 19 <u>\$ 90</u>
10 20 <u>5 Tons</u>	10 20 <u>6 Tons</u>	10 20 <u>\$ 105</u>
10 21 <u>6 Tons</u>	10 21 <u>7 Tons</u>	10 21 <u>\$ 130</u>
10 22 <u>7 Tons</u>	10 22 <u>8 Tons</u>	10 22 <u>\$ 165</u>
10 23 <u>8 Tons</u>	10 23 <u>9 Tons</u>	10 23 <u>\$ 200</u>

10 24 c. For a combined gross weight exceeding forty tons, the  
10 25 annual registration fee shall be one thousand six hundred  
10 26 ninety-five dollars plus eighty dollars for each ton over  
10 27 forty tons.

10 28 Sec. 8. Section 321.152, Code 2007, is amended to read as  
10 29 follows:

10 30 321.152 ~~FEE FOR~~ COLLECTION FEES RETAINED BY COUNTY.

10 31 1. A county treasurer may retain for deposit in the county  
10 32 general fund the following:

10 33 ~~1-~~ a. Four percent of the total collection for each  
10 34 annual or semiannual vehicle registration and each duplicate  
10 35 registration card or plate issued.

11 1 ~~2-~~ b. Two dollars and fifty cents from each fee collected  
11 2 for certificates of title.

11 3 ~~3-~~ c. Forty percent of all fees collected for certified  
11 4 copies of certificates of title.

11 5 ~~4-~~ d. Sixty percent of all fees collected for perfection  
11 6 of security interests.

11 7 ~~5-~~ e. Twenty-five percent of each penalty collected for  
11 8 improper business-trade truck registration under section

11 9 321.120, subsection 5.

11 10 2. The moneys retained under subsection 1 shall be  
11 11 deducted, and reported to the department when the county  
11 12 treasurer transfers the money collected under this chapter.  
11 13 However, a deduction is not lawful unless the county treasurer  
11 14 has complied with sections 321.24 and 321.153.

11 15 3. This section does not apply to fees collected or  
11 16 retained by a county treasurer pursuant to participation in

11 17 county issuance of driver's licenses under chapter 321M.  
11 18 Sec. 9. Section 422.20, subsection 3, unnumbered paragraph  
11 19 1, Code 2007, is amended to read as follows:  
11 20 Unless otherwise expressly permitted by section 8A.504,  
11 21 section 421.17, subsections 22, 23, and 26, sections 252B.9,  
11 22 321.120, 421.19, 421.28, 422.72, and 452A.63, and this  
11 23 section, a tax return, return information, or investigative or  
11 24 audit information shall not be divulged to any person or  
11 25 entity, other than the taxpayer, the department, or internal  
11 26 revenue service for use in a matter unrelated to tax  
11 27 administration.

11 28 Sec. 10. Section 422.72, subsection 3, unnumbered  
11 29 paragraph 1, Code 2007, is amended to read as follows:  
11 30 Unless otherwise expressly permitted by section 8A.504,  
11 31 section 421.17, subsections 22, 23, and 26, sections 252B.9,  
11 32 321.120, 421.19, 421.28, 422.20, and 452A.63, and this  
11 33 section, a tax return, return information, or investigative or  
11 34 audit information shall not be divulged to any person or  
11 35 entity, other than the taxpayer, the department, or internal  
12 1 revenue service for use in a matter unrelated to tax  
12 2 administration.

12 3 Sec. 11. EFFECTIVE DATE AND APPLICABILITY. This division  
12 4 of this Act takes effect January 1, 2009, and applies to  
12 5 vehicles registered for registration years beginning in 2009  
12 6 and subsequent years.

12 7 DIVISION II  
12 8 TITLE FEES

12 9 Sec. 12. Section 312.2, Code Supplement 2007, is amended  
12 10 by adding the following new subsection:  
12 11 NEW SUBSECTION. 20. a. The treasurer of state, before  
12 12 making the allotments provided for in this section, shall  
12 13 credit monthly to the TIME=21 fund created in section 312A.2,  
12 14 an amount equal to ten dollars from each fee for issuance of a  
12 15 certificate of title collected pursuant to sections 321.20;  
12 16 321.20A; 321.23; 321.42; 321.46, other than a title issued for  
12 17 a returned vehicle under section 322G.12; section 321.47; and  
12 18 section 321.109 and an amount equal to eight dollars from each  
12 19 fee collected for issuance of a certificate of title pursuant  
12 20 to section 321.46 for a returned vehicle under section 322G.12  
12 21 and from each fee collected for issuance of a salvage  
12 22 certificate of title pursuant to section 321.52.

12 23 b. This subsection is repealed June 30, 2028.

12 24 Sec. 13. Section 321.20, subsection 1, unnumbered  
12 25 paragraph 1, Code 2007, is amended to read as follows:  
12 26 Except as provided in this chapter, an owner of a vehicle  
12 27 subject to registration shall make application to the county  
12 28 treasurer of the county of the owner's residence, or if a  
12 29 nonresident, to the county treasurer of the county where the  
12 30 primary users of the vehicle are located, or if a lessor of  
12 31 the vehicle pursuant to chapter 321F which vehicle has a gross  
12 32 vehicle weight of less than ten thousand pounds, to the county  
12 33 treasurer of the county of the lessee's residence, or if a  
12 34 firm, association, or corporation with vehicles in multiple  
12 35 counties, the owner may make application to the county  
13 1 treasurer of the county where the primary user of the vehicle  
13 2 is located, for the registration and issuance of a certificate  
13 3 of title for the vehicle upon the appropriate form furnished  
13 4 by the department. However, upon the transfer of ownership,  
13 5 the owner of a vehicle subject to the proportional  
13 6 registration provisions of chapter 326 shall make application  
13 7 for registration and issuance of a certificate of title to  
13 8 either the department or the appropriate county treasurer.  
13 9 The application shall be accompanied by a fee of ~~ten~~ twenty  
13 10 dollars, and shall bear the owner's signature. A nonresident  
13 11 owner of two or more vehicles subject to registration may make  
13 12 application for registration and issuance of a certificate of  
13 13 title for all vehicles subject to registration to the county  
13 14 treasurer of the county where the primary user of any of the  
13 15 vehicles is located. The owner of a mobile home or  
13 16 manufactured home shall make application for a certificate of  
13 17 title under this section from the county treasurer of the  
13 18 county where the mobile home or manufactured home is located.  
13 19 The application shall contain:

13 20 Sec. 14. Section 321.20A, subsection 1, Code 2007, is  
13 21 amended to read as follows:

13 22 1. Notwithstanding other provisions of this chapter, the  
13 23 owner of a commercial vehicle subject to the proportional  
13 24 registration provisions of chapter 326 may make application to  
13 25 the department or the appropriate county treasurer for a  
13 26 certificate of title. The application for certificate of  
13 27 title shall be made within thirty days of purchase or transfer

13 28 and shall be accompanied by a ~~ten~~ twenty dollar title fee and  
13 29 the appropriate use tax. The department or the county  
13 30 treasurer shall deliver the certificate of title to the owner  
13 31 if there is no security interest. If there is a security  
13 32 interest, the title, when issued, shall be delivered to the  
13 33 first secured party. Delivery may be made using electronic  
13 34 means.

13 35 Sec. 15. Section 321.23, subsections 1 and 4, Code 2007,  
14 1 are amended to read as follows:

14 2 1. If the vehicle to be registered is a specially  
14 3 constructed, reconstructed, or foreign vehicle, such fact  
14 4 shall be stated in the application. A fee of ~~ten~~ twenty  
14 5 dollars shall be paid by the person making the application  
14 6 upon issuance of a certificate of title by the county  
14 7 treasurer. For a specially constructed or reconstructed motor  
14 8 vehicle subject to registration, the application shall be  
14 9 accompanied by a statement from the department authorizing the  
14 10 motor vehicle to be titled and registered in this state. The  
14 11 department shall cause a physical inspection to be made of all  
14 12 specially constructed or reconstructed motor vehicles, upon  
14 13 application for a certificate of title by the owner, to  
14 14 determine whether the motor vehicle complies with the  
14 15 definition of specially constructed motor vehicle or  
14 16 reconstructed motor vehicle in this chapter and to determine  
14 17 that the integral component parts are properly identified and  
14 18 that the rightful ownership is established before issuing the  
14 19 owner the authority to have the motor vehicle registered and  
14 20 titled. The purpose of the physical inspection under this  
14 21 section is not to determine whether the motor vehicle is in a  
14 22 condition safe to operate. The owner of a specially  
14 23 constructed or reconstructed vehicle shall apply for a  
14 24 certificate of title and registration for the vehicle at the  
14 25 county treasurer's office within thirty days of the  
14 26 inspection. For a foreign vehicle which has been registered  
14 27 outside this state, the owner shall surrender to the treasurer  
14 28 all registration plates, registration cards, and certificates  
14 29 of title, or if the vehicle to be registered is from a  
14 30 nontitle state, the evidence of foreign registration and  
14 31 ownership as may be prescribed by the department except as  
14 32 provided in subsection 2.

14 33 4. A vehicle which does not meet the equipment  
14 34 requirements of this chapter due to the particular use for  
14 35 which it is designed or intended, may be registered by the  
15 1 department upon payment of appropriate fees and after  
15 2 inspection and certification by the department that the  
15 3 vehicle is not in an unsafe condition. A person is not  
15 4 required to have a certificate of title to register a vehicle  
15 5 under this subsection. If the owner elects to have a  
15 6 certificate of title issued for the vehicle, a fee of ~~ten~~  
15 7 twenty dollars shall be paid by the person making the  
15 8 application upon issuance of a certificate of title. If the  
15 9 department's inspection reveals that the vehicle may be safely  
15 10 operated only under certain conditions or on certain types of  
15 11 roadways, the department may restrict the registration to  
15 12 limit operation of the vehicle to the appropriate conditions  
15 13 or roadways. This subsection does not apply to snowmobiles as  
15 14 defined in section 321G.1. Section 321.382 does not apply to  
15 15 a vehicle registered under this subsection which is operated  
15 16 exclusively by a person with a disability who has obtained a  
15 17 persons with disabilities parking permit as provided in  
15 18 section 321L.2, if the persons with disabilities parking  
15 19 permit is carried in or on the vehicle and shown to a peace  
15 20 officer on request.

15 21 Sec. 16. Section 321.42, subsection 2, paragraph a, Code  
15 22 2007, is amended to read as follows:

15 23 a. If a certificate of title is lost or destroyed, the  
15 24 owner or lienholder shall apply for a replacement copy of the  
15 25 original certificate of title. The owner or lienholder of a  
15 26 motor vehicle may also apply for a replacement copy of the  
15 27 original certificate of title upon surrender of the original  
15 28 certificate of title with the application. The application  
15 29 shall be made to the department or county treasurer who issued  
15 30 the original certificate of title. The application shall be  
15 31 signed by the owner or lienholder and accompanied by a fee of  
15 32 ~~ten~~ twenty dollars.

15 33 Sec. 17. Section 321.46, subsection 2, Code 2007, is  
15 34 amended to read as follows:

15 35 2. Upon filing the application for a new registration and  
16 1 a new title, the applicant shall pay a title fee of ~~ten~~ twenty  
16 2 dollars and a registration fee prorated for the remaining  
16 3 unexpired months of the registration year. A manufacturer

16 4 applying for a certificate of title pursuant to section  
16 5 322G.12 shall pay a title fee of ~~two ten~~ dollars. However, a  
16 6 title fee shall not be charged to a manufactured or mobile  
16 7 home retailer applying for a certificate of title for a used  
16 8 mobile home or manufactured home, titled in Iowa, as required  
16 9 under section 321.45, subsection 4. The county treasurer, if  
16 10 satisfied of the genuineness and regularity of the  
16 11 application, and in the case of a mobile home or manufactured  
16 12 home, that taxes are not owing under chapter 435, and that  
16 13 applicant has complied with all the requirements of this  
16 14 chapter, shall issue a new certificate of title and, except  
16 15 for a mobile home, manufactured home, or a vehicle returned to  
16 16 and accepted by a manufacturer as described in section  
16 17 322G.12, a registration card to the purchaser or transferee,  
16 18 shall cancel the prior registration for the vehicle, and shall  
16 19 forward the necessary copies to the department on the date of  
16 20 issuance, as prescribed in section 321.24. Mobile homes or  
16 21 manufactured homes titled under chapter 448 that have been  
16 22 subject under section 446.18 to a public bidder sale in a  
16 23 county shall be titled in the county's name, with no fee, and  
16 24 the county treasurer shall issue the title.

16 25 Sec. 18. Section 321.47, unnumbered paragraph 1, Code  
16 26 2007, is amended to read as follows:

16 27 If ownership of a vehicle is transferred by operation of  
16 28 law upon inheritance, devise or bequest, dissolution decree,  
16 29 order in bankruptcy, insolvency, replevin, foreclosure or  
16 30 execution sale, abandoned vehicle sale, or when the engine of  
16 31 a motor vehicle is replaced by another engine, or a vehicle is  
16 32 sold or transferred to satisfy an artisan's lien as provided  
16 33 in chapter 577, a landlord's lien as provided in chapter 570,  
16 34 a storage lien as provided in chapter 579, a judgment in an  
16 35 action for abandonment of a manufactured or mobile home as  
17 1 provided in chapter 555B, upon presentation of an affidavit  
17 2 relating to the disposition of a valueless mobile, modular, or  
17 3 manufactured home as provided in chapter 555C, or repossession  
17 4 is had upon default in performance of the terms of a security  
17 5 agreement, the county treasurer in the transferee's county of  
17 6 residence or, in the case of a mobile home or manufactured  
17 7 home, the county treasurer of the county where the mobile home  
17 8 or manufactured home is located, upon the surrender of the  
17 9 prior certificate of title or the manufacturer's or importer's  
17 10 certificate, or when that is not possible, upon presentation  
17 11 of satisfactory proof to the county treasurer of ownership and  
17 12 right of possession to the vehicle and upon payment of a fee  
17 13 of ~~ten twenty~~ dollars and the presentation of an application  
17 14 for registration and certificate of title, may issue to the  
17 15 applicant a registration card for the vehicle and a  
17 16 certificate of title to the vehicle. A person entitled to  
17 17 ownership of a vehicle under a decree of dissolution shall  
17 18 surrender a reproduction of a certified copy of the  
17 19 dissolution and upon fulfilling the other requirements of this  
17 20 chapter is entitled to a certificate of title and registration  
17 21 receipt issued in the person's name.

17 22 Sec. 19. Section 321.52, subsection 4, paragraph a, Code  
17 23 Supplement 2007, is amended to read as follows:

17 24 a. A vehicle rebuilder or a person engaged in the business  
17 25 of buying, selling, or exchanging vehicles of a type required  
17 26 to be registered in this state, upon acquisition of a wrecked  
17 27 or salvage vehicle, shall surrender the certificate of title  
17 28 or manufacturer's or importer's statement of origin properly  
17 29 assigned, together with an application for a salvage  
17 30 certificate of title, to the county treasurer of the county of  
17 31 residence of the purchaser or transferee within thirty days  
17 32 after the date of assignment of the certificate of title for  
17 33 the wrecked or salvage motor vehicle. This subsection applies  
17 34 only to vehicles with a fair market value of five hundred  
17 35 dollars or more, based on the value before the vehicle became  
18 1 wrecked or salvage. Upon payment of a fee of ~~two ten~~ dollars,  
18 2 the county treasurer shall issue a salvage certificate of  
18 3 title which shall bear the word "SALVAGE" stamped or printed  
18 4 on the face of the title in a manner prescribed by the  
18 5 department. A salvage certificate of title may be assigned to  
18 6 an educational institution, a new motor vehicle dealer  
18 7 licensed under chapter 322, a person engaged in the business  
18 8 of purchasing bodies, parts of bodies, frames or component  
18 9 parts of vehicles for sale as scrap metal, a salvage pool, or  
18 10 an authorized vehicle recycler licensed under chapter 321H.  
18 11 An authorized vehicle recycler licensed under chapter 321H or  
18 12 a new motor vehicle dealer licensed under chapter 322 may  
18 13 assign or reassign an Iowa salvage certificate of title or a  
18 14 salvage certificate of title from another state to any person,



18 15 and the provisions of section 321.24, subsection 5, requiring  
18 16 issuance of an Iowa salvage certificate of title shall not  
18 17 apply. A vehicle on which ownership has transferred to an  
18 18 insurer of the vehicle as a result of a settlement with the  
18 19 owner of the vehicle arising out of damage to, or unrecovered  
18 20 theft of, the vehicle shall be deemed to be a wrecked or  
18 21 salvage vehicle and the insurer shall comply with this  
18 22 subsection to obtain a salvage certificate of title within  
18 23 thirty days after the date of assignment of the certificate of  
18 24 title of the vehicle.

18 25 Sec. 20. Section 321.109, subsection 1, paragraph a, Code  
18 26 2007, is amended to read as follows:

18 27 a. The annual fee for all motor vehicles including  
18 28 vehicles designated by manufacturers as station wagons, and  
18 29 1993 and subsequent model years for multipurpose vehicles,  
18 30 except motor trucks, motor homes, ambulances, hearses,  
18 31 motorcycles, motorized bicycles, and 1992 and older model  
18 32 years for multipurpose vehicles, shall be equal to one percent  
18 33 of the value as fixed by the department plus forty cents for  
18 34 each one hundred pounds or fraction thereof of weight of  
18 35 vehicle, as fixed by the department. The weight of a motor  
19 1 vehicle, fixed by the department for registration purposes,  
19 2 shall include the weight of a battery, heater, bumpers, spare  
19 3 tire, and wheel. Provided, however, that for any new vehicle  
19 4 purchased in this state by a nonresident for removal to the  
19 5 nonresident's state of residence the purchaser may make  
19 6 application to the county treasurer in the county of purchase  
19 7 for a transit plate for which a fee of ten dollars shall be  
19 8 paid. And provided, however, that for any used vehicle held  
19 9 by a registered dealer and not currently registered in this  
19 10 state, or for any vehicle held by an individual and currently  
19 11 registered in this state, when purchased in this state by a  
19 12 nonresident for removal to the nonresident's state of  
19 13 residence, the purchaser may make application to the county  
19 14 treasurer in the county of purchase for a transit plate for  
19 15 which a fee of three dollars shall be paid. The county  
19 16 treasurer shall issue a nontransferable certificate of  
19 17 registration for which no refund shall be allowed; and the  
19 18 transit plates shall be void thirty days after issuance. Such  
19 19 purchaser may apply for a certificate of title by surrendering  
19 20 the manufacturer's or importer's certificate or certificate of  
19 21 title, duly assigned as provided in this chapter. In this  
19 22 event, the treasurer in the county of purchase shall, when  
19 23 satisfied with the genuineness and regularity of the  
19 24 application, and upon payment of a fee of ~~ten~~ twenty dollars,  
19 25 issue a certificate of title in the name and address of the  
19 26 nonresident purchaser delivering the title to the owner. If  
19 27 there is a security interest noted on the title, the county  
19 28 treasurer shall mail to the secured party an acknowledgment of  
19 29 the notation of the security interest. The county treasurer  
19 30 shall not release a security interest that has been noted on a  
19 31 title issued to a nonresident purchaser as provided in this  
19 32 paragraph. The application requirements of section 321.20  
19 33 apply to a title issued as provided in this subsection, except  
19 34 that a natural person who applies for a certificate of title  
19 35 shall provide either the person's social security number,  
20 1 passport number, or driver's license number, whether the  
20 2 license was issued by this state, another state, or another  
20 3 country. The provisions of this subsection relating to  
20 4 multipurpose vehicles are effective January 1, 1993, for all  
20 5 1993 and subsequent model years. The annual registration fee  
20 6 for multipurpose vehicles that are 1992 model years and older  
20 7 shall be in accordance with section 321.124.

20 8 Sec. 21. EFFECTIVE DATE. This division of this Act takes  
20 9 effect January 1, 2009.

#### 20 10 DIVISION III

##### 20 11 TRAILER REGISTRATION FEES

20 12 Sec. 22. Section 312.2, Code Supplement 2007, is amended  
20 13 by adding the following new subsection:

20 14 NEW SUBSECTION. 21. a. The treasurer of state, before  
20 15 making the allotments provided for in this section, shall  
20 16 credit monthly to the TIME=21 fund created in section 312A.2  
20 17 an amount equal to ten dollars from each trailer registration  
20 18 fee collected pursuant to section 321.123, subsection 1,  
20 19 paragraph "a", subparagraph (1), twenty dollars from each  
20 20 trailer registration fee collected pursuant to section  
20 21 321.123, subsection 1, paragraph "a", subparagraph (2), and  
20 22 one-third of the amount collected from trailer registration  
20 23 fees pursuant to section 321.123, subsection 2.

20 24 b. This subsection is repealed June 30, 2028.

20 25 Sec. 23. Section 321.122, subsection 2, Code 2007, is

20 26 amended by striking the subsection.  
20 27 Sec. 24. Section 321.123, Code 2007, is amended to read as  
20 28 follows:  
20 29 321.123 TRAILERS.  
20 30 1. a. All trailers except farm trailers, mobile homes,  
20 31 and manufactured homes, unless otherwise provided in this  
20 32 section, are subject to ~~a an annual~~ registration fee of ~~ten~~  
20 33 ~~dollars. as follows:~~  
20 34 (1) For trailers with an empty weight of two thousand  
20 35 pounds or less, the annual registration fee is twenty dollars.  
21 1 (2) For trailers with an empty weight in excess of two  
21 2 thousand pounds, the annual registration fee is thirty  
21 3 dollars.  
21 4 b. Trailers for which the empty weight is two thousand  
21 5 pounds or less are exempt from the certificate of title and  
21 6 lien provisions of this chapter.  
21 7 c. For trailers and semitrailers licensed under chapter  
21 8 326, the annual registration fee for the permanent  
21 9 registration plate shall be the applicable fee under paragraph  
21 10 "a". The registration fees for a permanent registration  
21 11 plate, at the option of the registrant, shall be remitted to  
21 12 the department at five-year intervals or on an annual basis.  
21 13 Fees collected under this section shall not be reduced or  
21 14 prorated under chapter 326.  
21 15 ~~1- 2.~~ a. Travel trailers and fifth-wheel travel trailers,  
21 16 except those in manufacturer's or dealer's stock, shall be  
21 17 subject to an annual fee of ~~twenty thirty~~ cents per square  
21 18 foot of floor space computed on the exterior overall  
21 19 measurements, but excluding three feet occupied by any trailer  
21 20 hitch as provided by and certified to by the owner, to the  
21 21 nearest whole dollar. When a travel trailer or fifth-wheel  
21 22 travel trailer is registered in Iowa for the first time or  
21 23 when title is transferred, the annual fee shall be prorated on  
21 24 a monthly basis. The annual fee shall be reduced to  
21 25 seventy-five percent of the full fee after the vehicle is more  
21 26 than six model years old.  
21 27 b. A travel trailer may be stored under section 321.134,  
21 28 provided the travel trailer is not used for human habitation  
21 29 for any period during storage and is not moved upon the  
21 30 highways of the state. A travel trailer stored under section  
21 31 321.134 is not subject to a manufactured or mobile home tax  
21 32 assessed under chapter 435.  
21 33 ~~2- 3.~~ Motor trucks or truck tractors pulling trailers or  
21 34 semitrailers shall be registered for the combined gross weight  
21 35 of the motor truck or truck tractor and trailer or  
22 1 semitrailer, except that:  
22 2 a. Motor trucks registered for six tons or less not used  
22 3 for hire, pulling trailers or semitrailers used by a person  
22 4 engaged in farming to transport commodities produced by the  
22 5 owner, or to transport commodities or livestock purchased by  
22 6 the owner for use in the owner's own farming operation or used  
22 7 by any person to transport horses shall not be subject to  
22 8 registration for the gross weight of such trailer or  
22 9 semitrailer provided the combined gross weight does not exceed  
22 10 twelve tons, plus the tolerance provided for in section  
22 11 321.466.  
22 12 b. Motor trucks registered for six tons or less not used  
22 13 for hire, pulling trailers or semitrailers used by a person in  
22 14 the person's own operations shall not be subject to  
22 15 registration for the gross weight of such trailer or  
22 16 semitrailer provided the combined gross weight does not exceed  
22 17 eight tons, plus the tolerance provided for in section  
22 18 321.466.  
22 19 Sec. 25. EFFECTIVE DATE AND APPLICABILITY. This division  
22 20 of this Act takes effect January 1, 2009, and applies to  
22 21 trailers registered for registration years beginning in 2009  
22 22 and subsequent years.

22 23 DIVISION IV  
22 24 STUDIES

22 25 Sec. 26. TIME=21 FUNDING ANALYSIS. The department of  
22 26 transportation shall conduct an analysis of the additional  
22 27 revenues necessary to provide at least two hundred million  
22 28 dollars annually to the TIME=21 fund by FY 2011=2012. The  
22 29 analysis shall include but is not limited to the amount of  
22 30 excise tax levied on motor fuel and adjustments that might be  
22 31 made to various fees collected by the department in order to  
22 32 create an appropriate balance of taxes and fees paid by Iowa  
22 33 drivers and out-of-state drivers. The department shall submit  
22 34 a report to the governor and the general assembly on or before  
22 35 December 31, 2008, regarding its analysis.  
23 1 Sec. 27. PUBLIC TRANSIT FUNDING STUDY. The department of

23 2 transportation, in cooperation with the office of energy  
23 3 independence and the department of natural resources, shall  
23 4 review the current revenues available for support of public  
23 5 transit and the sufficiency of those revenues to meet future  
23 6 needs. The review shall include but is not limited to  
23 7 identifying transit improvements needed to meet state energy  
23 8 independence goals and an assessment of how the state's  
23 9 support of public transit is positioned to meet the mobility  
23 10 needs of Iowa's growing senior population. The department  
23 11 shall submit a report to the governor and the general assembly  
23 12 on or before December 1, 2009.

#### 23 13 DIVISION V

##### 23 14 MOTORCYCLE OPERATOR'S LICENSE FEE

23 15 Sec. 28. Section 312.2, subsection 16, Code Supplement  
23 16 2007, is amended to read as follows:

23 17 16. The treasurer of state, before making the allotments  
23 18 provided for in this section, shall credit monthly from the  
23 19 road use tax fund to the motorcycle rider education fund  
23 20 established in section 321.180B, an amount equal to ~~one dollar~~  
23 21 two dollars per year of license validity for each issued or  
23 22 renewed driver's license which is valid for the operation of a  
23 23 motorcycle. Moneys credited to the motorcycle rider education  
23 24 fund under this subsection shall be taken from moneys credited  
23 25 to the road use tax fund under section 423.43.

23 26 Sec. 29. Section 321.191, subsection 5, Code 2007, is  
23 27 amended to read as follows:

23 28 5. LICENSES VALID FOR MOTORCYCLES. An additional fee of  
23 29 ~~one dollar~~ two dollars per year of license validity is  
23 30 required to issue a license valid to operate a motorcycle.

23 31 Sec. 30. Section 321.145, subsection 2, paragraph b,  
23 32 subparagraph (2), if enacted by the Eighty-second General  
23 33 Assembly, 2008 Session, is amended to read as follows:

23 34 (2) An amount equal to ~~one dollar~~ two dollars per year of  
23 35 license validity for each issued or renewed driver's license  
24 1 which is valid for the operation of a motorcycle shall be  
24 2 credited to the motorcycle rider education fund established  
24 3 under section 321.180B.

24 4 Sec. 31. If section 312.2, subsection 16, Code Supplement  
24 5 2007, is stricken by a provision in another division of this  
24 6 Act or another Act of the 2008 Session of the Eighty-second  
24 7 General Assembly, the section in this division of this Act  
24 8 amending section 312.2, subsection 16, Code Supplement 2007,  
24 9 is void.

#### 24 10 DIVISION VI

##### 24 11 USE TAX ON MOTOR VEHICLES REPEALED ==

##### 24 12 FEE FOR NEW REGISTRATION IMPOSED

##### 24 13 PART 1

##### 24 14 ROAD USE TAX FUND

24 15 Sec. 32. Section 312.1, Code 2007, is amended to read as  
24 16 follows:

##### 24 17 312.1 FUND CREATED.

24 18 1. There is hereby created, in the state treasury, a road  
24 19 use tax fund. ~~Said The~~ road use tax fund shall ~~embrace and~~  
24 20 ~~include all of the following:~~

24 21 1- a. All the net proceeds of the registration of motor  
24 22 vehicles under chapter 321.

24 23 2- b. All the net proceeds of the motor fuel tax or  
24 24 license fees under chapter 452A.

24 25 3- c. Revenue derived from the excise tax imposed upon  
24 26 the rental of automobiles, under chapter 423C, ~~as to the~~  
24 27 ~~extent provided by section 423C.5 321.145, subsection 2.~~

24 28 4- ~~To the extent provided in section 423.43, subsection 1,~~  
24 29 ~~paragraph "b", from revenue derived from the use tax, under~~  
24 30 ~~chapter 423 on motor vehicles, trailers, and motor vehicle~~  
24 31 ~~accessories and equipment.~~

24 32 5- ~~d. Revenue derived from the use tax collected under~~  
24 33 ~~section 423.26, to the extent provided under section 321.145,~~  
24 34 ~~subsection 2.~~

24 35 e. Any other funds which may by law be credited to the  
25 1 road use tax fund.

25 2 2. Notwithstanding section 12C.7, subsection 2, interest  
25 3 or earnings on investments or time deposits of the moneys in  
25 4 the road use tax fund and the funds to which moneys from the  
25 5 road use tax fund are credited shall be credited to the road  
25 6 use tax fund.

25 7 Sec. 33. Section 312.2, subsections 14 and 16, Code  
25 8 Supplement 2007, are amended by striking the subsections.

25 9 Sec. 34. Section 312.2, Code Supplement 2007, is amended  
25 10 by adding the following new subsection:

25 11 NEW SUBSECTION. 19. The treasurer of state, before making  
25 12 the allotments provided for in this section, shall credit

25 13 monthly from the road use tax fund to the primary road fund an  
25 14 amount equal to ten percent of the revenues collected from the  
25 15 operation of section 321.105A, subsection 2, to be used for  
25 16 the commercial and industrial highway network.

25 17 Sec. 35. Section 321.52A, Code 2007, is amended to read as  
25 18 follows:

25 19 321.52A CERTIFICATE OF TITLE SURCHARGE == ALLOCATION OF  
25 20 MONEYS.

25 21 ~~1.~~ In addition to the fee required for the issuance of a  
25 22 certificate of title under section 321.20, 321.20A, 321.23,  
25 23 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge  
25 24 of five dollars shall be required. Of each surcharge  
25 25 collected under those sections, the county treasurer shall  
25 26 remit five dollars to the office of treasurer of state for  
25 27 deposit as set forth in section 321.145, subsection 2.

~~25 28 2. For the fiscal year beginning July 1, 2002, through the  
25 29 fiscal year beginning July 1, 2006, the treasurer of state  
25 30 shall deposit twenty percent of the moneys received under  
25 31 subsection 1 in the waste tire management fund and deposit the  
25 32 remainder in the road use tax fund. For the fiscal year  
25 33 beginning July 1, 2007, and each subsequent fiscal year, the  
25 34 treasurer of state shall deposit the entire amount of moneys  
25 35 received under subsection 1 in the road use tax fund.~~

26 1 Sec. 36. Section 321.145, Code 2007, is amended to read as  
26 2 follows:

26 3 321.145 DISPOSITION OF MONEYS AND FEES.

26 4 1. Except for fines, forfeitures, court costs, and the  
26 5 collection fees retained by the county treasurer pursuant to  
26 6 section 321.152, and except as provided in subsection 2,  
26 7 moneys and motor vehicle license registration fees collected  
26 8 under this chapter shall be credited by the treasurer of state  
26 9 to the road use tax fund.

26 10 2. Revenues derived from trailer registration fees  
26 11 collected pursuant to sections 321.105 and 321.105A, fees  
26 12 charged for driver's licenses and nonoperator's identification  
26 13 cards, fees charged for the issuance of a certificate of  
26 14 title, the certificate of title surcharge collected pursuant  
26 15 to section 321.52A, and revenues credited pursuant to section  
26 16 423.43, subsection 2, and section 423C.5 shall be deposited in  
26 17 a fund to be known as the statutory allocations fund under the  
26 18 control of the department and credited as follows:

26 19 a. Four million two hundred fifty thousand dollars per  
26 20 quarter shall be deposited into and credited to the Iowa  
26 21 comprehensive petroleum underground storage tank fund created  
26 22 in section 455G.3, and the moneys so deposited are a  
26 23 continuing appropriation for expenditure under chapter 455G,  
26 24 and moneys so appropriated shall not be used for other  
26 25 purposes.

26 26 b. Moneys remaining after the operation of paragraph "a"  
26 27 shall be credited in order of priority as follows:

26 28 (1) An amount equal to four percent of the revenue from  
26 29 the operation of section 321.105A, subsection 2, shall be  
26 30 credited to the department, to be used for purposes of public  
26 31 transit assistance under chapter 324A.

26 32 (2) An amount equal to one dollar per year of license  
26 33 validity for each issued or renewed driver's license which is  
26 34 valid for the operation of a motorcycle shall be credited to  
26 35 the motorcycle rider education fund established under section  
27 1 321.180B.

27 2 (3) The amounts required to be transferred pursuant to  
27 3 section 321.34 from revenues available under this subsection  
27 4 shall be transferred and credited as provided in section  
27 5 321.34, subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18,  
27 6 19, 20, 20A, 20B, 21, 22, 23, and 24 for the various purposes  
27 7 specified in those subsections.

27 8 (4) Amounts certified by the railway finance authority  
27 9 pursuant to section 327I.25 and appropriated to the authority  
27 10 pursuant to section 327I.26, not to exceed two million dollars  
27 11 annually.

27 12 (5) The department may direct the treasurer of state to  
27 13 credit to the primary road fund any amount of such revenues to  
27 14 the extent necessary to reimburse that fund for the  
27 15 expenditures not otherwise eligible to be made from the  
27 16 primary road fund, which are made for repairing, improving,  
27 17 and maintaining bridges over the rivers bordering the state.  
27 18 Expenditures for those portions of bridges within adjacent  
27 19 states may be included when they are made pursuant to an  
27 20 agreement entered into under section 313.63, 313A.34, or  
27 21 314.10.

27 22 c. Any such revenues remaining shall be credited to the  
27 23 road use tax fund.

27 24 Sec. 37. Section 423C.5, Code 2007, is amended to read as  
27 25 follows:  
27 26 423C.5 DEPOSIT OF REVENUE.  
27 27 The revenue arising from the operation of this chapter  
27 28 shall be credited to the ~~road use tax fund statutory~~  
27 29 ~~allocations fund created under section 321.145, subsection 2.~~

27 30 PART 2  
27 31 FEE FOR NEW VEHICLE REGISTRATION  
27 32 Sec. 38. Section 321.1, Code 2007, is amended by adding  
27 33 the following new subsection:  
27 34 NEW SUBSECTION. 59A. "Registration fees", unless  
27 35 otherwise specified, means both the annual vehicle  
28 1 registration fee and the fee for new registration, to the  
28 2 extent applicable, for purposes of administering the  
28 3 provisions of this chapter concerning vehicle registration  
28 4 fees.  
28 5 Sec. 39. Section 321.2, Code 2007, is amended to read as  
28 6 follows:  
28 7 321.2 DEPARTMENT.  
28 8 1. ~~The~~ Except as otherwise provided by law, the state  
28 9 department of transportation shall administer and enforce the  
28 10 provisions of this chapter.  
28 11 2. The division of state patrol of the department of  
28 12 public safety shall enforce the provisions of this chapter  
28 13 relating to traffic on the public highways of the state,  
28 14 including those relating to the safe and legal operation of  
28 15 passenger cars, motorcycles, motor trucks and buses, and to  
28 16 see that proper safety rules are observed.  
28 17 3. The state department of transportation and the  
28 18 department of public safety shall cooperate to insure the  
28 19 proper and adequate enforcement of the provisions of this  
28 20 chapter.  
28 21 4. The director of revenue shall administer and enforce  
28 22 the collection of the fee for new registration as provided in  
28 23 section 321.105A.

28 24 Sec. 40. NEW SECTION. 321.105A FEE FOR NEW REGISTRATION.  
28 25 1. DEFINITIONS. The following terms, when used in this  
28 26 section, shall have the following meanings, except in those  
28 27 instances where the context clearly indicates otherwise:  
28 28 a. "Department" means the department of revenue.  
28 29 b. "Director" means the director of revenue.  
28 30 c. "Owner" means as defined in section 321.1. For  
28 31 purposes of the fee for new registration imposed on leased  
28 32 vehicles under subsection 3, "owner" means the "lessor".  
28 33 d. "Purchase" means any transfer, exchange, or barter,  
28 34 conditional or otherwise, in any manner or by any means  
28 35 whatsoever, for consideration.  
29 1 2. In addition to the annual registration fee required  
29 2 under section 321.105, a "fee for new registration" is imposed  
29 3 in the amount of five percent of the purchase price for each  
29 4 vehicle subject to registration. The fee for new registration  
29 5 shall be paid by the owner of the vehicle to the county  
29 6 treasurer at the time application is made for a new  
29 7 registration and certificate of title, if applicable. A new  
29 8 registration receipt shall not be issued until the fee has  
29 9 been paid. The county treasurer or the department of  
29 10 transportation shall require every applicant for a new  
29 11 registration receipt for a vehicle subject to registration to  
29 12 supply information as the county treasurer or the director  
29 13 deems necessary as to the time of purchase, the purchase  
29 14 price, and other information relative to the purchase of the  
29 15 vehicle. On or before the tenth day of each month, the county  
29 16 treasurer or the department of transportation shall remit to  
29 17 the department of revenue the amount of the fees for new  
29 18 registration collected during the preceding month.  
29 19 a. For purposes of this subsection, "purchase price"  
29 20 applies to the measure subject to the fee for new  
29 21 registration. "Purchase price" shall be determined in the  
29 22 same manner as "sales price" is determined for purposes of  
29 23 computing the tax imposed upon the sales price of tangible  
29 24 personal property under chapter 423, pursuant to the  
29 25 definition in section 423.1, subsection 47, subject to the  
29 26 following exemptions:  
29 27 (1) Exempted from the purchase price of any vehicle  
29 28 subject to registration is the amount of any cash rebate which  
29 29 is provided by a motor vehicle manufacturer to the purchaser  
29 30 of the vehicle subject to registration so long as the rebate  
29 31 is applied to the purchase price of the vehicle.  
29 32 (2) (a) In transactions, except those subject to  
29 33 subparagraph subdivision (b), in which a vehicle subject to  
29 34 registration is traded toward the purchase price of another

29 35 vehicle subject to registration, the purchase price is only  
30 1 that portion of the purchase price which is valued in money,  
30 2 whether received in money or not, if the following conditions  
30 3 are met:

- 30 4 (i) The vehicle traded to the retailer is the type of  
30 5 vehicle normally sold in the regular course of the retailer's  
30 6 business.
- 30 7 (ii) The vehicle traded to the retailer is intended by the  
30 8 retailer to be ultimately sold at retail or is intended to be  
30 9 used by the retailer or another in the remanufacturing of a  
30 10 like vehicle.
- 30 11 (b) In a transaction between persons, neither of which is  
30 12 a retailer of vehicles subject to registration, in which a  
30 13 vehicle subject to registration is traded toward the purchase  
30 14 price of another vehicle subject to registration, the amount  
30 15 of the trade-in value allowed on the vehicle subject to  
30 16 registration traded is exempted from the purchase price.
- 30 17 (c) In order for the trade-in value to be excluded from  
30 18 the purchase price, the name or names on the title and  
30 19 registration of the vehicle being purchased must be the same  
30 20 name or names on the title and registration of the vehicle  
30 21 being traded. The following trades qualify under this  
30 22 subparagraph subdivision (c):
  - 30 23 (i) A trade involving spouses, if the traded vehicle and  
30 24 the acquired vehicle are titled in the name of one or both of  
30 25 the spouses, with no outside party named on the title.
  - 30 26 (ii) A trade involving a grandparent, parent, or child,  
30 27 including adopted and step relationships, if the name of one  
30 28 of the family members from the title of the traded vehicle is  
30 29 also on the title of the newly acquired vehicle.
  - 30 30 (iii) A trade involving a business, if one of the owners  
30 31 listed on the title of the traded vehicle is a business, and  
30 32 the names on the title are separated by "or".
  - 30 33 (iv) A trade in which the vehicle being purchased is  
30 34 titled in the name of an individual other than the owner of  
30 35 the traded vehicle due to the cosigning requirements of a  
31 1 financial institution.

31 2 (3) Exempted from the purchase price of a replacement  
31 3 motor vehicle owned by a motor vehicle dealer licensed under  
31 4 chapter 322 which is being registered by that dealer and is  
31 5 not otherwise exempt from the fee for new registration is the  
31 6 fair market value of a replaced motor vehicle if all of the  
31 7 following conditions are met:

- 31 8 (a) The motor vehicle being registered is being placed in  
31 9 service as a replacement motor vehicle for a motor vehicle  
31 10 registered by the motor vehicle dealer.
- 31 11 (b) The motor vehicle being registered is taken from the  
31 12 motor vehicle dealer's inventory.
- 31 13 (c) Use tax or the fee for new registration on the motor  
31 14 vehicle being replaced was paid by the motor vehicle dealer  
31 15 when that motor vehicle was registered.
- 31 16 (d) The replaced motor vehicle is returned to the motor  
31 17 vehicle dealer's inventory for sale.
- 31 18 (e) The application for registration and title of the  
31 19 motor vehicle being registered is filed with the county  
31 20 treasurer within two weeks of the date the replaced motor  
31 21 vehicle is returned to the motor vehicle dealer's inventory.
- 31 22 (f) The motor vehicle being registered is placed in the  
31 23 same or substantially similar service as the replaced motor  
31 24 vehicle.

31 25 b. For purposes of this subsection, the fee for new  
31 26 registration on a vehicle registered in this state by the  
31 27 manufacturer of that vehicle from a manufacturer's statement  
31 28 of origin is calculated on the base value of fifty percent of  
31 29 the retail list price of the vehicle.

31 30 c. The following are exempt from the fee for new  
31 31 registration imposed under this subsection, as long as a valid  
31 32 affidavit is filed with the county treasurer at the time of  
31 33 application for registration:

- 31 34 (1) Entities listed in section 423.3, subsections 17, 18,  
31 35 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that  
32 1 those entities are exempt from the tax imposed on the sale of  
32 2 tangible personal property, consisting of goods, wares, or  
32 3 merchandise, sold at retail in the state to consumers or  
32 4 users.
- 32 5 (2) Vehicles as defined in section 321.1, subsections 41,  
32 6 64A, 71, 85, and 88, except such vehicles subject to  
32 7 registration which are designed primarily for carrying  
32 8 persons, when purchased for lease and actually leased to a  
32 9 lessee for use outside the state of Iowa and the subsequent  
32 10 sole use in Iowa is in interstate commerce or interstate

32 11 transportation.

32 12 (3) (a) Vehicles subject to registration which are  
32 13 transferred from a business or individual conducting a  
32 14 business within this state as a sole proprietorship,  
32 15 partnership, or limited liability company to a corporation  
32 16 formed by the sole proprietorship, partnership, or limited  
32 17 liability company for the purpose of continuing the business  
32 18 when all of the stock of the corporation so formed is owned by  
32 19 the sole proprietor and the sole proprietor's spouse, by all  
32 20 the partners in the case of a partnership, or by all the  
32 21 members in the case of a limited liability company. This  
32 22 exemption is equally available where the vehicles subject to  
32 23 registration are transferred from a corporation to a sole  
32 24 proprietorship, partnership, or limited liability company  
32 25 formed by that corporation for the purpose of continuing the  
32 26 business when all of the incidents of ownership are owned by  
32 27 the same person or persons who were stockholders of the  
32 28 corporation.

32 29 (b) This exemption also applies where the vehicles subject  
32 30 to registration are transferred from a corporation as part of  
32 31 the liquidation of the corporation to its stockholders if  
32 32 within three months of such transfer the stockholders  
32 33 retransfer those vehicles subject to registration to a sole  
32 34 proprietorship, partnership, or limited liability company for  
32 35 the purpose of continuing the business of the corporation when  
33 1 all of the incidents of ownership are owned by the same person  
33 2 or persons who were stockholders of the corporation.

33 3 (c) This exemption applies to corporations that have been  
33 4 in existence for not longer than twenty-four months.

33 5 (4) Vehicles subject to registration which are transferred  
33 6 from a corporation that is primarily engaged in the business  
33 7 of leasing vehicles subject to registration to a corporation  
33 8 that is primarily engaged in the business of leasing vehicles  
33 9 subject to registration when the transferor and transferee  
33 10 corporations are part of the same controlled group for federal  
33 11 income tax purposes.

33 12 (5) (a) Vehicles registered or operated under chapter 326  
33 13 and used substantially in interstate commerce. For purposes  
33 14 of this subparagraph (5), "substantially in interstate  
33 15 commerce" means that a minimum of twenty-five percent of the  
33 16 miles operated by the vehicle accrues in states other than  
33 17 Iowa. This subparagraph (5) applies only to vehicles which  
33 18 are registered for a gross weight of thirteen tons or more.

33 19 (b) For purposes of this subparagraph (5), trailers and  
33 20 semitrailers registered or operated under chapter 326 are  
33 21 deemed to be used substantially in interstate commerce and to  
33 22 be registered for a gross weight of thirteen tons or more.

33 23 (c) For the purposes of this subparagraph (5), if a  
33 24 vehicle meets the requirement that twenty-five percent of the  
33 25 miles operated accrues in states other than Iowa in each year  
33 26 of the first four-year period of operation, the exemption from  
33 27 the fee for new registration shall continue until the vehicle  
33 28 is sold or transferred. If the vehicle is found to have not  
33 29 met the exemption requirements or the exemption was revoked,

33 30 the value of the vehicle upon which the fee for new  
33 31 registration shall be imposed is based on the original  
33 32 purchase price if revocation or nonqualification for this  
33 33 exemption occurs during the first year following registration.  
33 34 If revocation or nonqualification for this exemption occurs  
33 35 after the first year following registration, the value of the  
34 1 vehicle upon which the fee shall be imposed is the book or  
34 2 market value, whichever is less, at the time the exemption  
34 3 requirements were not met or the exemption was revoked.

34 4 (6) Vehicles subject to registration in any state when  
34 5 purchased for rental or registered and titled by a motor  
34 6 vehicle dealer licensed pursuant to chapter 322 for rental  
34 7 use, and held for rental for a period of one hundred twenty  
34 8 days or more and actually rented for periods of sixty days or  
34 9 less by a person regularly engaged in the business of renting  
34 10 vehicles including but not limited to motor vehicle dealers  
34 11 licensed pursuant to chapter 322 who rent automobiles to  
34 12 users, if the rental of the vehicles is subject to taxation  
34 13 under chapter 423C.

34 14 (7) Vehicles subject to registration in this state for  
34 15 which the applicant for registration has paid to another state  
34 16 a state sales, use, or occupational tax. However, if the tax  
34 17 paid to another state is less than the fee for new  
34 18 registration calculated for the vehicle, the difference shall  
34 19 be the amount to be collected as the fee for new registration.

34 20 (8) A vehicle subject to registration in this state which  
34 21 is owned by a person who has moved from another state with the

34 22 intention of changing residency to Iowa, provided that the  
34 23 vehicle was purchased for use in the state from which the  
34 24 applicant moved and was not, at or near the time of purchase,  
34 25 purchased for use in Iowa.

34 26 (9) A vehicle that was previously registered in this state  
34 27 and was subsequently registered in another state is not  
34 28 subject to the fee for new registration when it is again  
34 29 registered in this state, provided that the applicant for  
34 30 registration has maintained ownership of the vehicle since its  
34 31 initial registration in this state and has previously paid the  
34 32 use tax or fee for new registration for the vehicle in this  
34 33 state.

34 34 (10) Vehicles transferred by operation of law as provided  
34 35 in section 321.47.

35 1 (11) Vehicles for which ownership is transferred to or  
35 2 from a revocable or irrevocable trust, if no consideration is  
35 3 present.

35 4 (12) Vehicles transferred to the surviving corporation for  
35 5 no consideration as a result of a corporate merger according  
35 6 to the laws of this state in which the merging corporation is  
35 7 immediately extinguished and dissolved.

35 8 (13) Vehicles purchased in this state by a nonresident for  
35 9 removal to the nonresident's state of residence if the  
35 10 purchaser applies to the county treasurer for a transit plate  
35 11 under section 321.109.

35 12 (14) Vehicles purchased by a licensed motor vehicle dealer  
35 13 for resale.

35 14 (15) Vehicles purchased by a licensed wholesaler of new  
35 15 motor vehicles for resale.

35 16 (16) Homemade vehicles built from parts purchased at  
35 17 retail, upon which the consumer paid a tax to the seller, but  
35 18 only on such vehicles never before registered. This exemption  
35 19 does not apply for vehicles subject to registration which are  
35 20 made by a manufacturer engaged in the business for the purpose  
35 21 of sales or rental.

35 22 (17) Vehicles titled under a salvage certificate of title.  
35 23 However, when such a vehicle has been repaired and a regular  
35 24 certificate of title is applied for, the fee for new  
35 25 registration is due as follows:

35 26 (a) If the owner of the vehicle is a licensed recycler,  
35 27 unless the applicant is licensed as a vehicle dealer, the fee  
35 28 for new registration applies based on the fair market value of  
35 29 the vehicle, with deduction allowed for the cost of parts,  
35 30 supplies, and equipment for which sales tax was paid and which  
35 31 were used to rebuild the vehicle.

35 32 (b) If the owner is a person who is not licensed as a  
35 33 recycler or vehicle dealer, the fee for new registration  
35 34 applies based on the fair market value of the vehicle, with  
35 35 deduction allowed for the cost of parts, frames, chassis, auto  
36 1 bodies, or supplies that were purchased to rebuild the vehicle  
36 2 and for which sales tax was paid.

36 3 (18) A vehicle delivered to a resident Native American  
36 4 Indian on the reservation.

36 5 (19) A vehicle transferred from one individual to another  
36 6 as a gift in a transaction in which no consideration is  
36 7 present.

36 8 (20) A vehicle given by a corporation as a gift to a  
36 9 retiring employee.

36 10 (21) A vehicle sold by an entity where the profits from  
36 11 the sale are used by or donated to a nonprofit entity which is  
36 12 exempt from federal income taxation pursuant to section  
36 13 501(c)(3) of the Internal Revenue Code, a government entity,  
36 14 or a nonprofit private educational institution, and where the  
36 15 entire proceeds from the sale of the vehicle are expended for  
36 16 any of the following purposes:

36 17 (a) Educational.

36 18 (b) Religious.

36 19 (c) Charitable. A charitable act is an act done out of  
36 20 goodwill, benevolence, and a desire to add to or to improve  
36 21 the good of humankind in general or any class or portion of  
36 22 humankind, with no pecuniary profit inuring to the person  
36 23 performing the service or giving the gift.

36 24 (22) A vehicle given or sold to be subsequently awarded as  
36 25 a raffle prize under chapter 99B.

36 26 (23) A vehicle won as a raffle prize under chapter 99B.

36 27 (24) A vehicle that is directly and primarily used in the  
36 28 recycling or reprocessing of waste products.

36 29 (25) Vehicles subject to registration under this chapter  
36 30 with a gross vehicle weight rating of less than sixteen  
36 31 thousand pounds, excluding motorcycles and motorized bicycles,  
36 32 when purchased for lease and titled by the lessor licensed



36 33 pursuant to chapter 321F and actually leased for a period of  
36 34 twelve months or more if the lease of the vehicle is subject  
36 35 to the fee for new registration under subsection 3.

37 1 A lessor may maintain the exemption under this subparagraph  
37 2 for a qualifying lease that terminates at the conclusion or  
37 3 prior to the contracted expiration date if the lessor does not  
37 4 use the vehicle for any purpose other than for lease. Once  
37 5 the vehicle is used by the lessor for a purpose other than for  
37 6 lease, the exemption under this subparagraph no longer applies  
37 7 and, unless there is another exemption from the fee for new  
37 8 registration, the fee for new registration is due on the fair  
37 9 market value of the vehicle determined at the time the lessor  
37 10 uses the vehicle for a purpose other than for lease, payable  
37 11 to the department. If the lessor holds the vehicle  
37 12 exclusively for sale, the fee for new registration is due and  
37 13 payable on the purchase price of the vehicle at the time of  
37 14 purchase pursuant to this subsection.

37 15 (26) A vehicle repossessed by a licensed vehicle dealer  
37 16 pursuant to the uniform commercial code, chapter 554, provided  
37 17 there is a valid lien on the title and the dealer anticipates  
37 18 reselling the vehicle.

37 19 (27) A vehicle repossessed by a financial institution or  
37 20 an individual by means of a foreclosure affidavit pursuant to  
37 21 the uniform commercial code, chapter 554, provided there is a  
37 22 valid lien on the vehicle and the foreclosure affidavit is  
37 23 used for the sole purpose of retaining possession of the  
37 24 vehicle until a new buyer is found. However, if the financial  
37 25 institution or individual uses the foreclosure affidavit to  
37 26 take title to the vehicle and register the vehicle, the new  
37 27 registration fee shall be due based on the outstanding loan  
37 28 amount on the vehicle.

37 29 (28) A damaged vehicle acquired by an insurance company  
37 30 from a client or financial institution, provided the insurance  
37 31 company has a vehicle dealers license.

37 32 (29) A vehicle returned to a manufacturer and titled in  
37 33 the manufacturer's name under section 322G.12.

37 34 (30) A vehicle purchased directly by a federal, state, or  
37 35 local governmental agency and titled in an individual's name  
38 1 pursuant to a governmental program authorized by law.

38 2 3. LEASED VEHICLES.

38 3 a. A fee for new registration is imposed in an amount  
38 4 equal to five percent of the leased price for each vehicle  
38 5 subject to registration with a gross vehicle weight rating of  
38 6 less than sixteen thousand pounds, excluding motorcycles and  
38 7 motorized bicycles, which is leased by a lessor licensed  
38 8 pursuant to chapter 321F for a period of twelve months or  
38 9 more. The fee for new registration shall be paid by the owner  
38 10 of the vehicle to the county treasurer from whom the  
38 11 registration receipt or certificate of title is obtained. A  
38 12 registration receipt for a vehicle subject to registration or  
38 13 issuance of a certificate of title shall not be issued until  
38 14 the fee for new registration is paid in the initial instance.

38 15 b. The amount of the lease price subject to the fee for  
38 16 new registration shall be computed on each separate lease  
38 17 transaction by taking the total of the lease payments, plus  
38 18 the down payment, and excluding the following charges, if  
38 19 included as part of the lease payment:

- 38 20 (1) Title fee.
- 38 21 (2) Annual registration fees.
- 38 22 (3) Fee for new registration.
- 38 23 (4) Federal excise taxes attributable to the sale of the  
38 24 vehicle to the owner or to the lease of the vehicle by the  
38 25 owner.
- 38 26 (5) Optional service or warranty contracts subject to tax  
38 27 pursuant to section 423.2, subsection 1.
- 38 28 (6) Insurance.
- 38 29 (7) Manufacturer's rebate.
- 38 30 (8) Refundable deposit.
- 38 31 (9) Finance charges, if any, on items listed in  
38 32 subparagraphs (1) through (8).

38 33 c. If any or all of the items in paragraph "b",  
38 34 subparagraphs (1) through (8), are excluded from the lease  
38 35 price subject to the fee for new registration, the owner shall  
39 1 maintain adequate records of the amounts of those items. If  
39 2 the parties to a lease enter into an agreement providing that  
39 3 the fee for new registration is to be paid by the lessee or  
39 4 included in the monthly lease payments to be paid by the  
39 5 lessee, the total cost of the fee for new registration shall  
39 6 not be included in the computation of the lease price for the  
39 7 purpose of the fee for new registration under this section.  
39 8 The county treasurer or the department of transportation shall

39 9 require every applicant for a registration receipt for a  
39 10 vehicle subject to a fee for new registration to supply  
39 11 information as the county treasurer or the director deems  
39 12 necessary as to the date of the lease transaction, the lease  
39 13 price, and other information relative to the lease of the  
39 14 vehicle.

39 15 d. On or before the tenth day of each month, the county  
39 16 treasurer or the department of transportation shall remit to  
39 17 the department of revenue the amount of the fees for new  
39 18 registration collected during the preceding month.

39 19 e. If the lease is terminated prior to the termination  
39 20 date contained in the lease agreement, no refund shall be  
39 21 allowed for a fee for new registration previously paid under  
39 22 this section, except as provided in section 322G.4.

39 23 4. ADMINISTRATION AND ENFORCEMENT == DIRECTOR OF REVENUE.

39 24 a. The director of revenue in consultation with the  
39 25 department of transportation shall administer and enforce the  
39 26 fee for new registration as nearly as possible in conjunction  
39 27 with the administration and enforcement of the state use tax  
39 28 law, except that portion of the law which implements the  
39 29 streamlined sales and use tax agreement. The director shall  
39 30 provide appropriate forms, or provide on the annual  
39 31 registration forms provided by the department of  
39 32 transportation, for reporting the fee for new registration  
39 33 liability.

39 34 b. Section 422.25, subsection 4, sections 422.30, 422.67,  
39 35 and 422.68, section 422.69, subsection 1, sections 422.70,  
40 1 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection  
40 2 2, and sections 423.23, 423.24, 423.25, 423.32, 423.33,  
40 3 423.35, 423.37 through 423.42, 423.45, and 423.47, consistent  
40 4 with the provisions of this section, apply with respect to the  
40 5 fees for new registration authorized under this section in the  
40 6 same manner and with the same effect as if the fees for new  
40 7 registration were retail use taxes within the meaning of those  
40 8 statutes.

40 9 5. COLLECTIONS BY LICENSED DEALERS.

40 10 a. A licensed vehicle dealer maintaining a place of  
40 11 business in this state who sells a vehicle subject to  
40 12 registration for use in this state shall collect the fee for  
40 13 new registration at the time of making the sale. A dealer  
40 14 required to collect the fee for new registration shall give to  
40 15 the purchaser a receipt for the fee in the manner and form  
40 16 prescribed by the director. Fees collected by a dealer under  
40 17 this section shall be forwarded to the county treasurer in the  
40 18 same manner as annual registration fees.

40 19 b. If an amount of the fee for new registration  
40 20 represented by a dealer to the purchaser of a vehicle is  
40 21 computed upon a purchase price that is not subject to the fee  
40 22 for new registration or the amount represented is in excess of  
40 23 the actual amount subject to the fee and the amount  
40 24 represented is actually paid by the purchaser to the dealer,  
40 25 the excess amount of fee for new registration paid shall be  
40 26 returned to the purchaser upon notification to the dealer by  
40 27 the department that an excess payment exists.

40 28 c. If an amount of the fee for new registration  
40 29 represented by a dealer to a purchaser is computed upon a  
40 30 purchase price that is not subject to the fee for new  
40 31 registration or the amount represented is in excess of the  
40 32 actual amount subject to the fee and the amount represented is  
40 33 actually paid by the purchaser to the dealer, the excess  
40 34 amount of fee for new registration paid shall be returned to  
40 35 the purchaser upon proper notification to the dealer by the  
41 1 purchaser that an excess payment exists. "Proper"  
41 2 notification is written notification which allows a dealer at  
41 3 least sixty days to respond and which contains enough  
41 4 information to allow a dealer to determine the validity of a  
41 5 purchaser's claim that an excess amount of fee for new  
41 6 registration has been paid. No cause of action shall accrue  
41 7 against a dealer for excess fee for new registration paid  
41 8 until sixty days after proper notice has been given the dealer  
41 9 by the purchaser.

41 10 d. In the circumstances described in paragraphs "b" and  
41 11 "c", a dealer has the option to either return any excess  
41 12 amount of fee for new registration paid to a purchaser, or to  
41 13 remit the amount which a purchaser has paid to the dealer to  
41 14 the department.

41 15 6. REFUNDS.

41 16 a. A fee for new registration is not refundable, except in  
41 17 the following circumstances:

41 18 (1) If a vehicle is sold and later returned to the seller  
41 19 and the entire purchase price is refunded by the seller, the

41 20 purchaser is entitled to a refund of the fee for new  
41 21 registration paid. To obtain a refund, the purchaser shall  
41 22 make application on forms provided by the department and show  
41 23 proof that the entire purchase price was returned and that the  
41 24 fee for new registration had been paid.  
41 25 (2) If a vehicle manufacturer reimburses a purchaser for  
41 26 the fee for new registration paid on a returned defective  
41 27 vehicle, the manufacturer may obtain a refund from the  
41 28 department by providing proof that the fee was paid and the  
41 29 purchaser reimbursed in accordance with the provisions of  
41 30 chapter 322G.  
41 31 (3) If the department determines that, as a result of a  
41 32 mistake, an amount of the fee for new registration has been  
41 33 paid which was not due, such amount shall be refunded to the  
41 34 vehicle owner by the department.  
41 35 b. A claim for refund under this subsection that has not  
42 1 been filed with the department within three years after the  
42 2 fee for new registration was paid shall not be allowed by the  
42 3 director.  
42 4 7. PENALTY FOR FALSE STATEMENT. A person who willfully  
42 5 makes a false statement in regard to the purchase price of a  
42 6 vehicle subject to a fee for new registration is guilty of a  
42 7 fraudulent practice. A person who willfully makes a false  
42 8 statement in regard to the purchase price of such a vehicle  
42 9 with the intent to evade payment of the fee for new  
42 10 registration shall be assessed a penalty of seventy-five  
42 11 percent of the amount of the fee unpaid and required to be  
42 12 paid on the actual purchase price less trade-in allowance.  
42 13 PART 3  
42 14 MOTOR VEHICLE USE TAX == REPEAL  
42 15 Sec. 41. Section 423.6, subsection 6, Code 2007, is  
42 16 amended to read as follows:  
42 17 6. Tangible personal property or services the sales price  
42 18 of which is exempt from the sales tax under section 423.3,  
42 19 except subsections 39 and 73, as it relates to the sale, but  
42 20 not the lease or rental, of vehicles ~~subject to registration~~  
42 21 ~~or subject only to the issuance of a certificate of title and~~  
42 22 as it relates to aircraft subject to registration under  
42 23 section 328.20.  
42 24 Sec. 42. Section 423.6, subsections 8, 10, 11, 12, 16, 17,  
42 25 18, 24, and 25, Code 2007, are amended by striking the  
42 26 subsections.  
42 27 Sec. 43. Section 423.14, subsection 2, paragraph a, Code  
42 28 2007, is amended to read as follows:  
42 29 a. The tax upon the use of all vehicles ~~subject to~~  
42 30 ~~registration or subject only to the issuance of a certificate~~  
42 31 ~~of title or the tax upon the use of manufactured housing shall~~  
42 32 ~~be collected by the county treasurer or the state department~~  
42 33 ~~of transportation pursuant to sections section 423.26 and~~  
42 34 ~~423.27, subsection 1. The county treasurer shall retain one~~  
42 35 ~~dollar from each tax payment collected, to be credited to the~~  
43 1 ~~county general fund.~~  
43 2 Sec. 44. Section 423.26, Code 2007, is amended to read as  
43 3 follows:  
43 4 ~~423.26 VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE~~  
43 5 ~~ISSUANCE OF TITLE == MANUFACTURED HOUSING == VEHICLE LEASE~~  
43 6 ~~TRANSACTIONS NOT REQUIRING TITLE OR REGISTRATION.~~  
43 7 ~~1. a. The use tax imposed upon the use of vehicles~~  
43 8 ~~subject to registration or subject only to the issuance of a~~  
43 9 ~~certificate of title or imposed upon the use of manufactured~~  
43 10 ~~housing shall be paid by the owner of the vehicle or of the~~  
43 11 ~~manufactured housing to the county treasurer or the state~~  
43 12 ~~department of transportation from whom the registration~~  
43 13 ~~receipt or certificate of title is obtained. A registration~~  
43 14 ~~receipt for a vehicle subject to registration or certificate~~  
43 15 ~~of title shall not be issued until the tax has been paid. The~~  
43 16 ~~county treasurer or the state department of transportation~~  
43 17 ~~shall require every applicant for a registration receipt for a~~  
43 18 ~~vehicle subject to registration or certificate of title to~~  
43 19 ~~supply information as the county treasurer or the director~~  
43 20 ~~deems necessary as to the time of purchase, the purchase~~  
43 21 ~~price, installed purchase price, and other information~~  
43 22 ~~relative to the purchase of the vehicle or manufactured~~  
43 23 ~~housing. On or before the tenth day of each month, the county~~  
43 24 ~~treasurer or the state department of transportation shall~~  
43 25 ~~remit to the department the amount of the taxes collected~~  
43 26 ~~during the preceding month.~~  
43 27 b. A person who willfully makes a false statement in  
43 28 regard to the purchase price of a vehicle subject to taxation  
43 29 under this ~~section subsection~~ is guilty of a fraudulent  
43 30 practice. A person who willfully makes a false statement in

43 31 regard to the purchase price of such a vehicle with the intent  
43 32 to evade the payment of tax shall be assessed a penalty of  
43 33 seventy-five percent of the amount of tax unpaid and required  
43 34 to be paid on the actual purchase price less trade-in  
43 35 allowance.

44 1 2. a. The use tax imposed upon the use of leased vehicles  
44 2 if the lease transaction does not require titling or  
44 3 registration of the vehicle shall be remitted to the  
44 4 department. Tax and the reporting of tax due to the  
44 5 department shall be remitted on or before fifteen days from  
44 6 the last day of the month that the tax becomes due. Failure  
44 7 to timely report or remit any of the tax when due shall result  
44 8 in a penalty and interest being imposed on the tax due  
44 9 pursuant to section 423.40, subsection 1, and section 423.42,  
44 10 subsection 1.

44 11 b. The amount subject to tax shall be computed on each  
44 12 separate lease transaction by taking the total of the lease  
44 13 payments, plus the down payment, and excluding all of the  
44 14 following:

44 15 (1) Title fee.  
44 16 (2) Registration fees.  
44 17 (3) Use tax pursuant to this subsection.  
44 18 (4) Federal excise taxes attributable to the sale of the  
44 19 vehicle to the owner or to the lease of the vehicle by the  
44 20 owner.

44 21 (5) Optional service or warranty contracts subject to tax  
44 22 pursuant to section 423.2, subsection 1.

44 23 (6) Insurance.  
44 24 (7) Manufacturer's rebate.  
44 25 (8) Refundable deposit.  
44 26 (9) Finance charges, if any, on items listed in  
44 27 subparagraphs (1) through (8).

44 28 c. If any or all of the items in paragraph "b",  
44 29 subparagraphs (1) through (8) are excluded from the taxable  
44 30 lease price, the owner shall maintain adequate records of the  
44 31 amounts of those items. If the parties to a lease enter into  
44 32 an agreement providing that the tax imposed under this  
44 33 subsection is to be paid by the lessee or included in the  
44 34 monthly lease payments to be paid by the lessee, the total  
44 35 cost of the tax shall not be included in the computation of  
45 1 lease price for the purpose of taxation under this subsection.

45 2 Sec. 45. Section 423.43, Code Supplement 2007, is amended  
45 3 by striking the section and inserting in lieu thereof the  
45 4 following:

45 5 423.43 DEPOSIT OF REVENUES.

45 6 1. Except as provided in subsection 2, all revenue arising  
45 7 under the operation of the use tax under subchapter III shall  
45 8 be deposited into the general fund of the state.

45 9 2. All revenue derived from the use tax imposed pursuant  
45 10 to section 423.26 shall be credited to the statutory  
45 11 allocations fund created under section 321.145, subsection 2.

45 12 Sec. 46. Section 423.27, Code 2007, is repealed.

45 13 PART 4

45 14 CONFORMING AMENDMENTS

45 15 Sec. 47. Section 29A.101A, subsection 5, Code Supplement  
45 16 2007, is amended to read as follows:

45 17 5. Rents or lease amounts unpaid for the period preceding  
45 18 the effective date of the lease termination shall be paid on a  
45 19 prorated basis. In the case of a vehicle lease, the lessor  
45 20 shall not impose an early termination charge, but any ~~taxes,~~  
45 21 ~~summonses, and~~ title and registration fees, including the fee  
45 22 for new registration, and any other obligation and liability  
45 23 of the lessee in accordance with the terms of the lease,  
45 24 including reasonable charges to the lessee for excess wear,  
45 25 use, and mileage, that are due and unpaid at the time of  
45 26 termination of the lease shall be paid by the lessee.

45 27 Sec. 48. Section 321.17, Code 2007, is amended to read as  
45 28 follows:

45 29 321.17 MISDEMEANOR TO VIOLATE REGISTRATION PROVISIONS.

45 30 It is a simple misdemeanor punishable as a scheduled  
45 31 violation under section 805.8A, subsection 2, paragraph "b",  
45 32 for any person to drive or move or for an owner knowingly to  
45 33 permit to be driven or moved upon the highway a vehicle of a  
45 34 type required to be registered under this chapter which is not  
45 35 registered, or for which the appropriate ~~fee has~~ fees have not  
46 1 been paid, except as provided in section 321.109, subsection  
46 2 3.

46 3 Sec. 49. Section 321.19, subsection 1, unnumbered  
46 4 paragraph 1, Code 2007, is amended to read as follows:

46 5 All vehicles owned or leased for a period of sixty days or  
46 6 more by the government and used in the transaction of official

46 7 business by the representatives of foreign governments or by  
46 8 officers, boards, or departments of the government of the  
46 9 United States, and by the state, counties, municipalities and  
46 10 other political subdivisions of the state including vehicles  
46 11 used by an urban transit company operated by a municipality or  
46 12 a regional transit system, and self-propelling vehicles used  
46 13 neither for the conveyance of persons for hire, pleasure, or  
46 14 business nor for the transportation of freight other than  
46 15 those used by an urban transit company operated by a  
46 16 municipality or a regional transit system, all fire trucks,  
46 17 providing they are not owned and operated for a pecuniary  
46 18 profit, and authorized emergency vehicles used only in  
46 19 disaster relief owned and operated by an organization not  
46 20 operated for pecuniary profit, are exempted from the payment  
46 21 of the registration fees imposed by this chapter, except as  
46 22 provided for urban transit companies in subsection 2, but are  
46 23 not exempt from the penalties provided in this chapter.

46 24 Sec. 50. Section 321.20, subsection 1, paragraph a, Code  
46 25 2007, is amended to read as follows:

46 26 a. The full legal name; social security number or Iowa  
46 27 driver's license number or Iowa nonoperator's identification  
46 28 card number; date of birth; bona fide residence; and mailing  
46 29 address of the owner and of the lessee if the vehicle is being  
46 30 leased. If the owner or lessee is a firm, association, or  
46 31 corporation, the application shall contain the bona fide  
46 32 business address and federal employer identification number of  
46 33 the owner or lessee. Up to three owners' names may be listed  
46 34 on the application. If the vehicle is a leased vehicle, the  
46 35 application shall state whether the notice of registration  
47 1 renewal shall be sent to the lessor or to the lessee and  
47 2 whether the lessor or the lessee shall receive the  
47 3 registration fee refund of the annual registration fee, if  
47 4 any. Information relating to the lessee of a vehicle shall  
47 5 not be required on an application for registration and a  
47 6 certificate of title for a vehicle with a gross vehicle weight  
47 7 rating of ten thousand pounds or more.

47 8 Sec. 51. Section 321.20, subsection 1, paragraph e, Code  
47 9 2007, is amended to read as follows:

47 10 e. The amount of the fee for new registration to be paid  
47 11 under section 321.105A or the amount of tax to be paid under  
47 12 section 423.26, subsection 1.

47 13 Sec. 52. Section 321.20A, Code 2007, is amended to read as  
47 14 follows:

47 15 321.20A CERTIFICATE OF TITLE AND REGISTRATION FEES ==  
47 16 COMMERCIAL VEHICLES.

47 17 1. Notwithstanding other provisions of this chapter, the  
47 18 owner of a commercial vehicle subject to the proportional  
47 19 registration provisions of chapter 326 may make application to  
47 20 the department or the appropriate county treasurer for a  
47 21 certificate of title. The application for certificate of  
47 22 title shall be made within thirty days of purchase or transfer  
47 23 and shall be accompanied by a ten dollar title fee and the  
47 24 appropriate use tax fee for new registration. The department  
47 25 or the county treasurer shall deliver the certificate of title  
47 26 to the owner if there is no security interest. If there is a  
47 27 security interest, the title, when issued, shall be delivered  
47 28 to the first secured party. Delivery may be made using  
47 29 electronic means.

47 30 2. An owner of more than fifty commercial vehicles subject  
47 31 to the proportional registration provisions of chapter 326 who  
47 32 is issued a certificate of title under this section shall not  
47 33 be subject to annual registration fees until the commercial  
47 34 vehicle is driven or moved upon the highways. The annual  
47 35 registration fee due shall be prorated for the remaining  
48 1 unexpired months of the registration year. Ownership of the  
48 2 commercial vehicle shall not be transferred until annual  
48 3 registration fees have been paid to the department.

48 4 Sec. 53. Section 321.23, subsection 3, Code 2007, is  
48 5 amended to read as follows:

48 6 3. In the event an applicant for registration of a foreign  
48 7 vehicle for which a certificate of title has been issued is  
48 8 able to furnish evidence of being the registered owner of the  
48 9 vehicle to the county treasurer of the owner's residence,  
48 10 although unable to surrender such certificate of title, the  
48 11 county treasurer may issue a registration receipt and plates  
48 12 upon receipt of the required annual registration fee and the  
48 13 fee for new registration fee but shall not issue a certificate  
48 14 of title thereto. Upon surrender of the certificate of title  
48 15 from the foreign state, the county treasurer shall issue a  
48 16 certificate of title to the owner, or person entitled thereto,  
48 17 of such vehicle as provided in this chapter. The owner of a

48 18 vehicle registered under this subsection shall not be required  
48 19 to obtain a certificate of title in this state and may  
48 20 transfer ownership of the vehicle to a motor vehicle dealer  
48 21 licensed under chapter 322 if, at the time of the transfer,  
48 22 the certificate of title is held by a secured party and the  
48 23 dealer has forwarded to the secured party the sum necessary to  
48 24 discharge the security interest pursuant to section 321.48,  
48 25 subsection 1.

48 26 Sec. 54. Section 321.24, subsections 1, 3, and 10, Code  
48 27 Supplement 2007, are amended to read as follows:

48 28 1. Upon receipt of the application for title and payment  
48 29 of the required fees for a motor vehicle, trailer, or  
48 30 semitrailer, the county treasurer or the department shall,  
48 31 when satisfied as to the application's genuineness and  
48 32 regularity, and, in the case of a mobile home or manufactured  
48 33 home, that taxes are not owing under chapter 423 or 435, issue  
48 34 a certificate of title and, except for a mobile home or  
48 35 manufactured home, a registration receipt, and shall file the  
49 1 application, the manufacturer's or importer's certificate, the  
49 2 certificate of title, or other evidence of ownership, as  
49 3 prescribed by the department. The registration receipt shall  
49 4 be delivered to the owner and shall contain upon its face the  
49 5 date issued, the name and address of the owner, the  
49 6 registration number assigned to the vehicle, the amount of the  
49 7 fee paid, ~~the amount of tax paid pursuant to section 423.26,~~  
49 8 the type of fuel used, a description of the vehicle as  
49 9 determined by the department, and a form for notice of  
49 10 transfer of the vehicle. The name and address of any lessee  
49 11 of the vehicle shall not be printed on the registration  
49 12 receipt or certificate of title. Up to three owners may be  
49 13 listed on the registration receipt and certificate of title.

49 14 3. The certificate of title shall contain upon its face  
49 15 the identical information required upon the face of the  
49 16 registration receipt. In addition, the certificate of title  
49 17 shall contain a statement of the owner's title, the title  
49 18 number assigned to the owner or owners of the vehicle, ~~the~~  
~~49 19 amount of tax paid pursuant to section 423.26,~~ the name and  
49 20 address of the previous owner, and a statement of all security  
49 21 interests and encumbrances as shown in the application, upon  
49 22 the vehicle described, including the nature of the security  
49 23 interest, date of perfection, and name and address of the  
49 24 secured party.

49 25 10. A vehicle shall be registered for the registration  
49 26 year. A vehicle registered for the first time in this state  
49 27 shall be registered for the remaining unexpired months of the  
49 28 registration year and pay ~~a~~ an annual registration fee  
49 29 prorated for the remaining unexpired months of the  
49 30 registration year plus a fee for new registration if  
~~49 31 applicable pursuant to section 321.105A.~~ Except for a vehicle  
49 32 registered under chapter 326, a vehicle registered for the  
49 33 first time during the eleventh month of the owner's  
49 34 registration year may be registered for the remaining  
49 35 unexpired months of the registration year as provided in this  
50 1 paragraph or for the remaining unexpired months of the  
50 2 registration year and for the next registration year, upon  
50 3 payment of the applicable registration fees.

50 4 Sec. 55. Section 321.26, subsection 2, Code 2007, is  
50 5 amended to read as follows:

50 6 2. The county treasurer may adjust the renewal or  
50 7 expiration date of vehicles when deemed necessary to equalize  
50 8 the number of vehicles registered in each twelve-month period  
50 9 or for the administrative efficiency of the county treasurer's  
50 10 office. The adjustment shall be accomplished by delivery of a  
50 11 written notice to the vehicle owner of the adjustment and  
50 12 allowance of a credit for the remaining months of the unused  
50 13 portion of the annual registration fee, rounded to the nearest  
50 14 whole dollar, which amount shall be deducted from the annual  
50 15 registration fee due at the time of registration. Upon  
50 16 receipt of the notification the owner shall, within thirty  
50 17 days, surrender the registration card and registration plates  
50 18 to the county treasurer of the county where the vehicle is  
50 19 registered, except that the registration plates shall not be  
50 20 surrendered if validation stickers or other emblems are used  
50 21 to designate the month and year of expiration of registration.  
50 22 Upon payment of the annual registration fee, less the credit  
50 23 allowed for the remaining months of the unused portion of the  
50 24 annual registration fee, the county treasurer shall issue a  
50 25 new registration card and registration plates, validation  
50 26 stickers, or emblems which indicate the month and year of  
50 27 expiration of registration.

50 28 Sec. 56. Section 321.30, subsection 1, paragraphs e and f,

50 29 Code Supplement 2007, are amended to read as follows:  
50 30 e. That the required ~~fee has~~ registration fees have not  
50 31 been paid except as provided in section 321.48.  
50 32 f. ~~That For a vehicle subject only to a certificate of~~  
50 33 ~~title or a manufactured home, that~~ the required use tax has  
50 34 not been paid.

50 35 Sec. 57. Section 321.30, subsection 3, paragraph b, Code  
51 1 Supplement 2007, is amended to read as follows:  
51 2 b. If the applicant for registration of the vehicle has  
51 3 failed to pay the required annual registration ~~fees~~ fee or the  
51 4 fee for new registration of any vehicle owned or previously  
51 5 owned when the ~~registration~~ fee was required to be paid by the  
51 6 applicant, and for which vehicle the registration was  
51 7 suspended or revoked under section 321.101, subsection 1,  
51 8 paragraph "d", or section 321.101A, until the ~~fees are~~ fee is  
51 9 paid together with any accrued penalties.

51 10 Sec. 58. Section 321.34, subsection 2, unnumbered  
51 11 paragraph 1, Code Supplement 2007, is amended to read as  
51 12 follows:  
51 13 In lieu of issuing new registration plates each  
51 14 registration year for a vehicle renewing registration, the  
51 15 department may reassign the registration plates previously  
51 16 issued to the vehicle and may adopt and prescribe an annual  
51 17 validation sticker indicating payment of annual registration  
51 18 fees. The department shall issue one validation sticker for  
51 19 each set of registration plates. The sticker shall specify  
51 20 the month and year of expiration of the registration plates.  
51 21 The sticker shall be displayed only on the rear registration  
51 22 plate, except that the sticker shall be displayed on the front  
51 23 registration plate of a truck tractor.

51 24 Sec. 59. Section 321.34, subsection 5, paragraphs b and c,  
51 25 Code Supplement 2007, is amended to read as follows:  
51 26 b. The county treasurer shall validate personalized  
51 27 registration plates in the same manner as regular registration  
51 28 plates are validated under this section at an annual fee of  
51 29 five dollars in addition to the regular annual registration  
51 30 fee. A person renewing a personalized registration plate  
51 31 within one month following the time requirements under section  
51 32 321.40 may renew the personalized plate without paying the  
51 33 additional registration fee under paragraph "a" but shall pay  
51 34 the five-dollar fee in addition to the regular annual  
51 35 registration fee and any penalties subject to regular  
52 1 registration plate holders for late renewal.

52 2 c. The fees collected by the director under this ~~section~~  
52 3 ~~subsection~~ shall be paid to the treasurer of state and  
52 4 credited by the treasurer of state as provided in section  
52 5 321.145.

52 6 Sec. 60. Section 321.34, subsection 7, paragraph c, Code  
52 7 Supplement 2007, is amended to read as follows:  
52 8 c. (1) The fees for a collegiate registration plate are  
52 9 as follows:  
52 10 (1) ~~(a)~~ A registration fee of twenty-five dollars.  
52 11 (2) ~~(b)~~ A special collegiate registration fee of  
52 12 twenty-five dollars.  
52 13 (2) These fees are in addition to the regular annual  
52 14 registration fee. The fees collected by the director under  
52 15 this subsection shall be paid monthly to the treasurer of  
52 16 state and ~~credited by the treasurer of state to deposited in~~  
52 17 ~~the road use tax fund. Notwithstanding section 423.43 and~~  
52 18 ~~prior to the revenues being credited to the road use tax fund~~  
52 19 ~~under section 423.43, subsection 1, paragraph "b", the The~~  
52 20 ~~treasurer of state shall credit monthly from those revenues~~  
52 21 ~~respectively the statutory allocations fund created under~~  
52 22 ~~section 321.145, subsection 2, to Iowa state university of~~  
52 23 ~~science and technology, the university of northern Iowa, and~~  
52 24 ~~the state university of Iowa respectively, the amount of the~~  
52 25 ~~special collegiate registration fees collected in the previous~~  
52 26 ~~month for collegiate registration plates designed for the~~  
52 27 ~~university. The moneys credited are appropriated to the~~  
52 28 ~~respective universities to be used for scholarships for~~  
52 29 ~~students attending the universities.~~

52 30 Sec. 61. Section 321.34, subsection 10, paragraph c, Code  
52 31 Supplement 2007, is amended to read as follows:  
52 32 c. The special fees collected by the director under this  
52 33 subsection shall be paid monthly to the treasurer of state and  
52 34 ~~credited to deposited in the road use tax fund.~~  
52 35 ~~Notwithstanding section 423.43, and prior to the crediting of~~  
53 1 ~~revenues to the road use tax fund under section 423.43,~~  
53 2 ~~subsection 1, paragraph "b", the The~~ treasurer of state shall  
53 3 transfer monthly from ~~those revenues~~ the statutory allocations  
53 4 fund created under section 321.145, subsection 2, to the Paul

53 5 Ryan memorial fire fighter safety training fund created  
53 6 pursuant to section 100B.12 the amount of the special fees  
53 7 collected in the previous month for the fire fighter plates.  
53 8 Sec. 62. Section 321.34, subsection 10A, paragraph b, Code  
53 9 Supplement 2007, is amended to read as follows:  
53 10 b. The special fees collected by the director under this  
53 11 subsection shall be paid monthly to the treasurer of state and  
53 12 ~~credited to deposited in~~ the road use tax fund.  
53 13 ~~Notwithstanding section 423.43, and prior to the crediting of~~  
53 14 ~~revenues to the road use tax fund under section 423.43,~~  
53 15 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall  
53 16 transfer monthly from ~~those revenues~~ the statutory allocations  
53 17 fund created under section 321.145, subsection 2, to the  
53 18 emergency medical services fund created in section 135.25 the  
53 19 amount of the special fees collected in the previous month for  
53 20 issuance of emergency medical services plates.  
53 21 Sec. 63. Section 321.34, subsection 11, paragraph c, Code  
53 22 Supplement 2007, is amended to read as follows:  
53 23 c. (1) The special natural resources fee for letter  
53 24 number designated natural resources plates is forty=five  
53 25 dollars. The fee for personalized natural resources plates is  
53 26 forty=five dollars which shall be paid in addition to the  
53 27 special natural resources fee of forty=five dollars. The fees  
53 28 collected by the director under this subsection shall be paid  
53 29 monthly to the treasurer of state and ~~credited to deposited in~~  
53 30 ~~the road use tax fund. Notwithstanding section 423.43, and~~  
53 31 ~~prior to the crediting of revenues to the road use tax fund~~  
53 32 ~~under section 423.43, subsection 1, paragraph "b", the~~ The  
53 33 treasurer of state shall credit monthly from ~~those revenues~~  
53 34 the statutory allocations fund created under section 321.145,  
53 35 subsection 2, to the Iowa resources enhancement and protection  
54 1 fund created pursuant to section 455A.18, the amount of the  
54 2 special natural resources fees collected in the previous month  
54 3 for the natural resources plates.  
54 4 (2) From the moneys credited to the Iowa resources  
54 5 enhancement and protection fund under ~~this paragraph "c",~~  
54 6 subparagraph (1), ten dollars of the fee collected for each  
54 7 natural resources plate issued, and fifteen dollars from each  
54 8 renewal fee, shall be allocated to the department of natural  
54 9 resources wildlife bureau to be used for nongame wildlife  
54 10 programs.  
54 11 Sec. 64. Section 321.34, subsection 11A, paragraph c, Code  
54 12 Supplement 2007, is amended to read as follows:  
54 13 c. The special fee for letter number designated love our  
54 14 kids plates is thirty=five dollars. The fee for personalized  
54 15 love our kids plates is twenty=five dollars, which shall be  
54 16 paid in addition to the special love our kids fee of  
54 17 thirty=five dollars. The fees collected by the director under  
54 18 this subsection shall be paid monthly to the treasurer of  
54 19 state and ~~credited to deposited in~~ the road use tax fund.  
54 20 ~~Notwithstanding section 423.43, and prior to the crediting of~~  
54 21 ~~revenues to the road use tax fund under section 423.43,~~  
54 22 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall  
54 23 transfer monthly from ~~those revenues~~ the statutory allocations  
54 24 fund created under section 321.145, subsection 2, to the Iowa  
54 25 department of public health the amount of the special fees  
54 26 collected in the previous month for the love our kids plates.  
54 27 Notwithstanding section 8.33, moneys transferred under this  
54 28 subsection shall not revert to the general fund of the state.  
54 29 Sec. 65. Section 321.34, subsection 11B, paragraph c, Code  
54 30 Supplement 2007, is amended to read as follows:  
54 31 c. The special fee for letter number designated motorcycle  
54 32 rider education plates is thirty=five dollars. The fee for  
54 33 personalized motorcycle rider education plates is twenty=five  
54 34 dollars, which shall be paid in addition to the special  
54 35 motorcycle rider education fee of thirty=five dollars. The  
55 1 fees collected by the director under this subsection shall be  
55 2 paid monthly to the treasurer of state and ~~credited to~~  
55 3 deposited in the road use tax fund. ~~Notwithstanding section~~  
55 4 ~~423.43, and prior to the crediting of revenues to the road use~~  
55 5 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~  
55 6 ~~the~~ The treasurer of state shall transfer monthly from ~~those~~  
55 7 revenues the statutory allocations fund created under section  
55 8 321.145, subsection 2, to the department for use in accordance  
55 9 with section 321.180B, subsection 6, the amount of the special  
55 10 fees collected in the previous month for the motorcycle rider  
55 11 education plates.  
55 12 Sec. 66. Section 321.34, subsection 13, paragraph d, Code  
55 13 Supplement 2007, is amended to read as follows:  
55 14 d. A state agency may submit a request to the department  
55 15 recommending a special registration plate. The alternate fee



55 16 for letter number designated plates is thirty=five dollars  
55 17 with a ten dollar annual special renewal fee. The fee for  
55 18 personalized plates is twenty=five dollars which is in  
55 19 addition to the alternative fee of thirty=five dollars with an  
55 20 annual personalized plate renewal fee of five dollars which is  
55 21 in addition to the special renewal fee of ten dollars. The  
55 22 alternate fees are in addition to the regular annual  
55 23 registration fee. The alternate fees collected under this  
55 24 paragraph shall be paid monthly to the treasurer of state and  
55 25 ~~credited to deposited in~~ the road use tax fund.  
55 26 ~~Notwithstanding section 423.43, and prior to the crediting of~~  
55 27 ~~the revenues to the road use tax fund under section 423.43,~~  
55 28 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall  
55 29 credit monthly ~~from the statutory allocations fund created~~  
55 30 ~~under section 321.145, subsection 2, the amount of the~~  
55 31 alternate fees collected in the previous month to the state  
55 32 agency that recommended the special registration plate.  
55 33 Sec. 67. Section 321.34, subsection 16, unnumbered  
55 34 paragraph 1, Code Supplement 2007, is amended to read as  
55 35 follows:

56 1 An owner referred to in subsection 12 who is a member of  
56 2 the national guard, as defined in chapter 29A, may, upon  
56 3 written application to the department, order special  
56 4 registration plates with a national guard processed emblem  
56 5 with the emblem designed by the department in cooperation with  
56 6 the adjutant general which emblem signifies that the applicant  
56 7 is a member of the national guard. The application shall be  
56 8 approved by the department in consultation with the adjutant  
56 9 general. The special plate fees collected by the director  
56 10 under subsection 12, paragraph "a", from the issuance and  
56 11 annual validation of letter=number designated and personalized  
56 12 national guard plates shall be paid monthly to the treasurer  
56 13 of state and ~~credited to deposited in~~ the road use tax fund.  
56 14 ~~Notwithstanding section 423.43, and prior to the crediting of~~  
56 15 ~~revenues to the road use tax fund under section 423.43,~~  
56 16 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall  
56 17 transfer monthly ~~from those revenues the statutory allocations~~  
56 18 ~~fund created under section 321.145, subsection 2, to the~~  
56 19 veterans license fee fund created in section 35A.11 the amount  
56 20 of the special fees collected in the previous month for  
56 21 national guard plates. Special registration plates with a  
56 22 national guard processed emblem shall be surrendered, as  
56 23 provided in subsection 12, in exchange for regular  
56 24 registration plates upon termination of the owner's membership  
56 25 in the active national guard.

56 26 Sec. 68. Section 321.34, subsection 17, unnumbered  
56 27 paragraph 1, Code Supplement 2007, is amended to read as  
56 28 follows:  
56 29 An owner referred to in subsection 12 who was at Pearl  
56 30 Harbor, Hawaii, as a member of the armed services of the  
56 31 United States on December 7, 1941, may, upon written  
56 32 application to the department, order special registration  
56 33 plates with a Pearl Harbor processed emblem. The emblem shall  
56 34 be designed by the department in consultation with service  
56 35 organizations. The application is subject to approval by the  
57 1 department. The special plate fees collected by the director  
57 2 under subsection 12, paragraph "a", from the issuance and  
57 3 annual validation of letter=number designated and personalized  
57 4 Pearl Harbor plates shall be paid monthly to the treasurer of  
57 5 state and ~~credited to deposited in~~ the road use tax fund.  
57 6 ~~Notwithstanding section 423.43, and prior to the crediting of~~  
57 7 ~~revenues to the road use tax fund under section 423.43,~~  
57 8 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall  
57 9 transfer monthly ~~from those revenues the statutory allocations~~  
57 10 ~~fund created under section 321.145, subsection 2, to the~~  
57 11 veterans license fee fund created in section 35A.11 the amount  
57 12 of the special fees collected in the previous month for Pearl  
57 13 Harbor plates.

57 14 Sec. 69. Section 321.34, subsection 18, unnumbered  
57 15 paragraph 1, Code Supplement 2007, is amended to read as  
57 16 follows:  
57 17 An owner referred to in subsection 12 who was awarded a  
57 18 purple heart medal by the United States government for wounds  
57 19 received in military or naval combat against an armed enemy of  
57 20 the United States may, upon written application to the  
57 21 department and presentation of satisfactory proof of the award  
57 22 of the purple heart medal, order special registration plates  
57 23 with a purple heart processed emblem. The design of the  
57 24 emblem shall include a representation of a purple heart medal  
57 25 and ribbon. The application is subject to approval by the  
57 26 department in consultation with the adjutant general. The

57 27 special plate fees collected by the director under subsection  
57 28 12, paragraph "a", from the issuance and annual validation of  
57 29 letter=number designated and personalized purple heart plates  
57 30 shall be paid monthly to the treasurer of state and ~~credited~~  
~~57 31 to deposited in the road use tax fund. Notwithstanding~~  
~~57 32 section 423.43, and prior to the crediting of revenues to the~~  
~~57 33 road use tax fund under section 423.43, subsection 1,~~  
~~57 34 paragraph "b", the~~ The treasurer of state shall transfer  
57 35 monthly from ~~those revenues the statutory allocations fund~~  
~~58 1 created under section 321.145, subsection 2,~~ to the veterans  
58 2 license fee fund created in section 35A.11 the amount of the  
58 3 special fees collected in the previous month for purple heart  
58 4 plates.

58 5 Sec. 70. Section 321.34, subsection 19, unnumbered  
58 6 paragraph 1, Code Supplement 2007, is amended to read as  
58 7 follows:

58 8 An owner referred to in subsection 12 who is a retired  
58 9 member of the United States armed forces may, upon written  
58 10 application to the department and upon presentation of  
58 11 satisfactory proof of membership, order special registration  
58 12 plates with a United States armed forces retired processed  
58 13 emblem. The emblem shall be designed by the department in  
58 14 consultation with service organizations. The application is  
58 15 subject to approval by the department. For purposes of this  
58 16 subsection, a person is considered to be retired if the person  
58 17 is recognized by the United States armed forces as retired  
58 18 from the United States armed forces. The special plate fees  
58 19 collected by the director under subsection 12, paragraph "a",  
58 20 from the issuance and annual validation of letter=number  
58 21 designated and personalized armed forces retired plates shall  
58 22 be paid monthly to the treasurer of state and ~~credited to~~  
~~58 23 deposited in the road use tax fund. Notwithstanding section~~  
~~58 24 423.43, and prior to the crediting of revenues to the road use~~  
~~58 25 tax fund under section 423.43, subsection 1, paragraph "b",~~  
~~58 26 the~~ The treasurer of state shall transfer monthly from ~~those~~  
~~58 27 revenues the statutory allocations fund created under section~~  
~~58 28 321.145, subsection 2,~~ to the veterans license fee fund  
58 29 created in section 35A.11 the amount of the special fees  
58 30 collected in the previous month for armed forces retired  
58 31 plates.

58 32 Sec. 71. Section 321.34, subsection 20, unnumbered  
58 33 paragraph 1, Code Supplement 2007, is amended to read as  
58 34 follows:

58 35 An owner referred to in subsection 12 who was awarded a  
59 1 silver or a bronze star by the United States government, may,  
59 2 upon written application to the department and presentation of  
59 3 satisfactory proof of the award of the silver or bronze star,  
59 4 order special registration plates with a silver or bronze star  
59 5 processed emblem. The emblem shall be designed by the  
59 6 department in consultation with the adjutant general. The  
59 7 special plate fees collected by the director under subsection  
59 8 12, paragraph "a", from the issuance and annual validation of  
59 9 letter=number designated and personalized silver star and  
59 10 bronze star plates shall be paid monthly to the treasurer of  
59 11 state and ~~credited to deposited in the road use tax fund.~~  
~~59 12 Notwithstanding section 423.43, and prior to the crediting of~~  
~~59 13 revenues to the road use tax fund under section 423.43,~~  
~~59 14 subsection 1, paragraph "b", the~~ The treasurer of state shall  
59 15 transfer monthly from ~~those revenues the statutory allocations~~  
~~59 16 fund created under section 321.145, subsection 2,~~ to the  
59 17 veterans license fee fund created in section 35A.11 the amount  
59 18 of the special fees collected in the previous month for silver  
59 19 star and bronze star plates.

59 20 Sec. 72. Section 321.34, subsection 20A, unnumbered  
59 21 paragraph 1, Code Supplement 2007, is amended to read as  
59 22 follows:

59 23 An owner referred to in subsection 12 who was awarded a  
59 24 distinguished service cross, a navy cross, or an air force  
59 25 cross by the United States government may, upon written  
59 26 application to the department and presentation of satisfactory  
59 27 proof of the award, order special registration plates with a  
59 28 distinguished service cross, navy cross, or air force cross  
59 29 processed emblem. The emblem shall be designed by the  
59 30 department in consultation with the adjutant general. The  
59 31 special plate fees collected by the director under subsection  
59 32 12, paragraph "a", from the issuance and annual validation of  
59 33 letter=number designated and personalized distinguished  
59 34 service cross, navy cross, and air force cross plates shall be  
59 35 paid monthly to the treasurer of state and ~~credited to~~  
60 1 ~~deposited in the road use tax fund. Notwithstanding section~~  
~~60 2 423.43, and prior to the crediting of revenues to the road use~~

~~60 3 tax fund under section 423.43, subsection 1, paragraph "b",~~  
~~60 4 the The treasurer of state shall transfer monthly from those~~  
~~60 5 revenues the statutory allocations fund created under section~~  
~~60 6 321.145, subsection 2, to the veterans license fee fund~~  
60 7 created in section 35A.11 the amount of the special fees  
60 8 collected in the previous month for distinguished service  
60 9 cross, navy cross, and air force cross plates.  
60 10 Sec. 73. Section 321.34, subsection 20B, unnumbered  
60 11 paragraph 1, Code Supplement 2007, is amended to read as  
60 12 follows:  
60 13 An owner referred to in subsection 12 who was awarded a  
60 14 soldier's medal, a navy and marine corps medal, or an airman's  
60 15 medal by the United States government may, upon written  
60 16 application to the department and presentation of satisfactory  
60 17 proof of the award, order special registration plates with a  
60 18 soldier's medal, navy and marine corps medal, or airman's  
60 19 medal processed emblem. The emblem shall be designed by the  
60 20 department in consultation with the adjutant general. The  
60 21 special plate fees collected by the director under subsection  
60 22 12, paragraph "a", from the issuance and annual validation of  
60 23 letter=number designated and personalized soldier's medal,  
60 24 navy and marine corps medal, and airman's medal plates shall  
60 25 be paid monthly to the treasurer of state and ~~credited to~~  
~~60 26 deposited in the road use tax fund. Notwithstanding section~~  
~~60 27 423.43, and prior to the crediting of revenues to the road use~~  
~~60 28 tax fund under section 423.43, subsection 1, paragraph "b",~~  
~~60 29 the The treasurer of state shall transfer monthly from those~~  
~~60 30 revenues the statutory allocations fund created under section~~  
~~60 31 321.145, subsection 2, to the veterans license fee fund~~  
60 32 created in section 35A.11 the amount of the special fees  
60 33 collected in the previous month for soldier's medal, navy and  
60 34 marine corps medal, and airman's medal plates.  
60 35 Sec. 74. Section 321.34, subsection 21, paragraph c, Code  
61 1 Supplement 2007, is amended to read as follows:  
61 2 c. The special fees collected by the director under this  
61 3 subsection shall be paid monthly to the treasurer of state and  
61 4 ~~credited to deposited in the road use tax fund.~~  
61 5 ~~Notwithstanding section 423.43, and prior to the crediting of~~  
~~61 6 revenues to the road use tax fund under section 423.43,~~  
~~61 7 subsection 1, paragraph "b", the The treasurer of state shall~~  
61 8 credit monthly ~~from the statutory allocations fund created~~  
~~61 9 under section 321.145, subsection 2, to the Iowa heritage fund~~  
61 10 created under section 303.9A the amount of the special fees  
61 11 collected in the previous month for the Iowa heritage plates.  
61 12 Sec. 75. Section 321.34, subsection 22, paragraph b, Code  
61 13 Supplement 2007, is amended to read as follows:  
61 14 b. The special school transportation fee for letter number  
61 15 designated education plates is thirty=five dollars. The fee  
61 16 for personalized education plates is twenty=five dollars,  
61 17 which shall be paid in addition to the special school  
61 18 transportation fee of thirty=five dollars. The annual special  
61 19 school transportation fee is ten dollars for letter number  
61 20 designated registration plates and is fifteen dollars for  
61 21 personalized registration plates which shall be paid in  
61 22 addition to the regular annual registration fee. The fees  
61 23 collected by the director under this subsection shall be paid  
61 24 monthly to the treasurer of state and ~~credited to deposited in~~  
~~61 25 the road use tax fund. Notwithstanding section 423.43, and~~  
~~61 26 prior to the crediting of revenues to the road use tax fund~~  
~~61 27 under section 423.43, subsection 1, paragraph "b", the The~~  
61 28 treasurer of state shall transfer monthly from ~~those revenues~~  
~~61 29 the statutory allocations fund created under section 321.145,~~  
~~61 30 subsection 2, to the school budget review committee in~~  
61 31 accordance with section 257.31, subsection 17, the amount of  
61 32 the special school transportation fees collected in the  
61 33 previous month for the education plates.  
61 34 Sec. 76. Section 321.34, subsection 23, paragraph c, Code  
61 35 Supplement 2007, is amended to read as follows:  
62 1 c. The special fee for letter number designated breast  
62 2 cancer awareness plates is thirty=five dollars. The fee for  
62 3 personalized breast cancer awareness plates is twenty=five  
62 4 dollars, which shall be paid in addition to the special breast  
62 5 cancer awareness fee of thirty=five dollars. The fees  
62 6 collected by the director under this subsection shall be paid  
62 7 monthly to the treasurer of state and ~~credited to deposited in~~  
~~62 8 the road use tax fund. Notwithstanding section 423.43, and~~  
~~62 9 prior to the crediting of revenues to the road use tax fund~~  
~~62 10 under section 423.43, subsection 1, paragraph "b", the The~~  
62 11 treasurer of state shall transfer monthly from ~~those revenues~~  
~~62 12 the statutory allocations fund created under section 321.145,~~  
~~62 13 subsection 2, to the Iowa department of public health the~~

62 14 amount of the special fees collected in the previous month for  
62 15 the breast cancer awareness plates and such funds are  
62 16 appropriated to the Iowa department of public health. The  
62 17 Iowa department of public health shall distribute one hundred  
62 18 percent of the funds received monthly in the form of grants to  
62 19 support breast cancer screenings for both men and women who  
62 20 meet eligibility requirements like those established by the  
62 21 Susan G. Komen foundation. In the awarding of grants, the  
62 22 Iowa department of public health shall give first  
62 23 consideration to affiliates of the Susan G. Komen foundation  
62 24 and similar nonprofit organizations providing for breast  
62 25 cancer screenings at no cost in Iowa. Notwithstanding section  
62 26 8.33, moneys transferred under this subsection shall not  
62 27 revert to the general fund of the state.

62 28 Sec. 77. Section 321.34, subsection 24, Code Supplement  
62 29 2007, is amended to read as follows:

62 30 24. GOLD STAR PLATES. An owner referred to in subsection  
62 31 12 who is the surviving spouse, parent, child, or sibling of a  
62 32 deceased member of the United States armed forces who died  
62 33 while serving on active duty during a time of military  
62 34 conflict may order special registration plates bearing a gold  
62 35 star emblem upon written application to the department  
63 1 accompanied by satisfactory supporting documentation as  
63 2 determined by the department. The gold star emblem shall be  
63 3 designed by the department in cooperation with the commission  
63 4 of veterans affairs. The special plate fees collected by the  
63 5 director under subsection 12, paragraph "a", from the issuance  
63 6 and annual validation of letter-number designated and  
63 7 personalized gold star plates shall be paid monthly to the  
63 8 treasurer of state and ~~credited to deposited in the road use~~  
63 9 ~~tax fund. Notwithstanding section 423.43, and prior to the~~  
63 10 ~~crediting of revenues to the road use tax fund under section~~  
63 11 ~~423.43, subsection 1, paragraph "b", the The treasurer of~~  
63 12 ~~state shall transfer monthly from those revenues the statutory~~  
63 13 ~~allocations fund created under section 321.145, subsection 2,~~  
63 14 to the veterans license fee fund created in section 35A.11 the  
63 15 amount of the special fees collected in the previous month for  
63 16 gold star plates.

63 17 Sec. 78. Section 321.39, subsections 3 and 4, Code 2007,  
63 18 are amended to read as follows:

63 19 3. For vehicles on which the first installment of an  
63 20 annual registration fee has been paid, at midnight on the last  
63 21 day of June or the first business day of July when June 30  
63 22 falls on Saturday, Sunday, or a holiday; for vehicles on which  
63 23 the second installment of an annual registration fee has been  
63 24 paid, at midnight on the last day of December or the first  
63 25 business day of January when December 31 falls on Saturday,  
63 26 Sunday, or a holiday.

63 27 4. For vehicles registered without payment of annual  
63 28 registration fees as provided in section 321.19, when  
63 29 designated by the department.

63 30 5. Registration for every vehicle registered by the county  
63 31 treasurer shall expire upon transfer of ownership.

63 32 Sec. 79. Section 321.40, subsection 1, Code Supplement  
63 33 2007, is amended to read as follows:

63 34 1. Application for renewal of a vehicle registration shall  
63 35 be made on or after the first day of the month prior to the  
64 1 month of expiration of registration and up to and including  
64 2 the last day of the month following the month of expiration of  
64 3 registration. The registration shall be renewed upon payment  
64 4 of the appropriate annual registration fee. Application for  
64 5 renewal for a vehicle registered under chapter 326 shall be  
64 6 made on or after the first day of the month of expiration of  
64 7 registration and up to and including the last day of the month  
64 8 following the month of expiration of registration.

64 9 Sec. 80. Section 321.46, subsections 2, 3, 4, 6, and 7,  
64 10 Code 2007, are amended to read as follows:

64 11 2. Upon filing the application for a new registration and  
64 12 a new title, the applicant shall pay a title fee of ten  
64 13 dollars ~~and a~~, an annual registration fee prorated for the  
64 14 remaining unexpired months of the registration year, and a fee  
64 15 for new registration if applicable. A manufacturer applying

64 16 for a certificate of title pursuant to section 322G.12 shall  
64 17 pay a title fee of two dollars. However, a title fee shall  
64 18 not be charged to a manufactured or mobile home retailer  
64 19 applying for a certificate of title for a used mobile home or  
64 20 manufactured home, titled in Iowa, as required under section  
64 21 321.45, subsection 4. The county treasurer, if satisfied of  
64 22 the genuineness and regularity of the application, and in the  
64 23 case of a mobile home or manufactured home, that taxes are not  
64 24 owing under chapter 435, and that applicant has complied with

all the requirements of this chapter, shall issue a new certificate of title and, except for a mobile home, manufactured home, or a vehicle returned to and accepted by a manufacturer as described in section 322G.12, a registration card to the purchaser or transferee, shall cancel the prior registration for the vehicle, and shall forward the necessary copies to the department on the date of issuance, as prescribed in section 321.24. Mobile homes or manufactured homes titled under chapter 448 that have been subject under section 446.18 to a public bidder sale in a county shall be titled in the county's name, with no fee, and the county treasurer shall issue the title.

3. The applicant shall be entitled to a credit for that portion of the annual registration fee of the vehicle sold, traded, or junked which had not expired prior to the transfer of ownership of the vehicle. The annual registration fee for the new registration for the vehicle acquired shall be reduced by the amount of the credit. The credit shall be computed on the basis of the number of months remaining in the registration year, rounded to the nearest whole dollar. The credit shall be subject to the following limitations:

a. The credit shall be claimed within thirty days from the date the vehicle for which credit is granted was sold, transferred, or junked. After thirty days, all credits shall be disallowed.

b. Any credit granted to the owner of a vehicle which has been sold, traded, or junked may only be claimed by that person toward the annual registration fee for another vehicle purchased and the credit may not be sold, transferred, or assigned to any other person.

c. When the amount of the credit is computed to be an amount of less than ten dollars, a credit shall be disallowed.

d. To claim a credit for the unexpired annual registration fee on a junked vehicle, the county treasurer shall disallow any claim for credit unless the owner presents a junking certificate or other evidence as required by the department to the county treasurer.

e. A credit shall not be allowed to any person who has made claim to receive a refund under section 321.126.

f. If the credit allowed exceeds the amount of the annual registration fee for the vehicle acquired, the owner may claim a refund under section 321.126, subsection 6, for the balance of the credit.

g. The credit shall be computed on the unexpired number of months computed from the date of purchase of the vehicle acquired.

4. If the annual registration fee upon application is delinquent, the applicant shall be required to pay the delinquent fee from the first day the annual registration fee was due prorated to the month of application for new title.

6. An applicant for a new registration for a vehicle transferred to the applicant by a spouse, parent, or child of the applicant, or by operation of law upon inheritance, devise or bequest, from the applicant's spouse, parent, or child, or by a former spouse pursuant to a decree of dissolution of marriage, is entitled to a credit to be applied to the annual registration fee for the transferred vehicle. A credit shall not be allowed unless the vehicle to which the credit applies is registered within the time specified under subsection 1. The credit shall be computed on the basis of the number of unexpired months remaining in the registration year of the former owner computed from the date the vehicle was transferred, computed to the nearest whole dollar. The credit may exceed the amount of the annual registration fee for the transferred vehicle. When the amount of the credit is computed to be an amount of less than ten dollars, the credit shall be disallowed. The credit shall not be sold, transferred, or assigned to any other person.

7. If a motor vehicle is leased and the lessee purchases the vehicle upon termination of the lease, the lessor shall, upon claim by the lessee with the lessor within thirty days of the purchase, assign the annual registration fee credit and registration plates for the leased motor vehicle to the lessee. Credit shall be applied as provided in subsection 3.

Sec. 81. Section 321.46A, Code 2007, is amended to read as follows:

321.46A CHANGE FROM PROPORTIONAL REGISTRATION == CREDIT.

An owner changing a vehicle's registration from proportional registration under chapter 326 to registration under this chapter shall be entitled to a credit on the vehicle's annual registration fees under this chapter. The

67 1 credit shall be allowed when the owner surrenders to the  
67 2 county treasurer proof of proportional registration provided  
67 3 by the department. The amount of the credit shall be  
67 4 calculated based on the unexpired complete calendar months  
67 5 remaining in the registration year from the date the  
67 6 application is filed with the county treasurer.

67 7 Sec. 82. Section 321.52, subsections 1 and 3, Code  
67 8 Supplement 2007, are amended to read as follows:

67 9 1. When a vehicle is sold outside the state for purposes  
67 10 other than for junk, the owner, dealer or otherwise, shall  
67 11 detach the registration plates and registration card and shall  
67 12 indicate on the registration card the name and address of the  
67 13 foreign purchaser or transferee over the person's signature.  
67 14 Unless the registration plates are legally attached to another  
67 15 vehicle, the owner shall surrender the registration plates and  
67 16 registration card to the county treasurer, who shall cancel  
67 17 the records, destroy the registration plates, and forward the  
67 18 registration card to the department. The department shall  
67 19 make a notation on the records of the out-of-state sale and,  
67 20 after a reasonable period, may destroy the files for that  
67 21 particular vehicle. The department is not authorized to make  
67 22 a refund of annual registration fees on a vehicle sold out of  
67 23 state unless it receives the registration card completed as  
67 24 provided in this section.

67 25 3. When a vehicle for which a certificate of title is  
67 26 issued is junked or dismantled by the owner, the owner shall  
67 27 detach the registration plates and surrender the plates to the  
67 28 county treasurer, unless the plates are properly assigned to  
67 29 another vehicle. The owner shall also surrender the  
67 30 certificate of title to the county treasurer. Upon  
67 31 surrendering the certificate of title and application for  
67 32 junking certificate, the county treasurer shall issue to the  
67 33 person, without fee, a junking certificate, which shall  
67 34 authorize the holder to possess, transport or transfer  
67 35 ownership of the junked vehicle by endorsement of the junking  
68 1 certificate. The county treasurer shall hold the surrendered  
68 2 certificate of title, registration receipt, application for  
68 3 junking certificate, and, if applicable, the registration  
68 4 plates for a period of fourteen days following the issuance of  
68 5 a junking certificate under this subsection. Within the  
68 6 fourteen-day period the person who was issued the junking  
68 7 certificate and to whom the vehicle was titled or assigned may  
68 8 surrender to the county treasurer the junking certificate, and  
68 9 upon the person's payment of appropriate fees and taxes and  
68 10 payment of any credit for annual registration fees received by  
68 11 the person for the vehicle under section 321.46, subsection 3,  
68 12 the county treasurer shall issue to the person a certificate  
68 13 of title for the vehicle. After the expiration of the  
68 14 fourteen-day period, a county treasurer shall not issue a  
68 15 certificate of title for a junked vehicle for which a junking  
68 16 certificate is issued. The county treasurer shall cancel the  
68 17 record of the vehicle and forward the certificate of title to  
68 18 the department.

68 19 However, upon application the department upon a showing of  
68 20 good cause may issue a certificate of title after the  
68 21 fourteen-day period for a junked vehicle for which a junking  
68 22 certificate has been issued. For purposes of this subsection,  
68 23 "good cause" means that the junking certificate was obtained  
68 24 by mistake or inadvertence. If a person's application to the  
68 25 department is denied, the person may make application for a  
68 26 certificate of title under the bonding procedure as provided  
68 27 in section 321.24, if the vehicle qualifies as an antique  
68 28 vehicle under section 321.115, subsection 1, or the person may  
68 29 seek judicial review as provided under sections 17A.19 and  
68 30 17A.20.

68 31 Sec. 83. Section 321.70, Code 2007, is amended to read as  
68 32 follows:

68 33 321.70 DEALER VEHICLES.

68 34 A dealer registered under this chapter shall not be  
68 35 required to register any vehicle owned by the dealer which is  
69 1 being held for sale or trade, provided the annual registration  
69 2 fee was not delinquent at the time the vehicle was acquired by  
69 3 the dealer. When a dealer ceases to hold any vehicle for sale  
69 4 or trade or the vehicle otherwise becomes subject to  
69 5 registration under this chapter the annual registration fee  
69 6 and delinquent annual registration fee, if any, shall be due  
69 7 for the registration year.

69 8 Sec. 84. Section 321.101, subsection 1, paragraph d, Code  
69 9 Supplement 2007, is amended to read as follows:

69 10 d. When the department determines that the required annual  
69 11 registration fee has not been paid and the fee is not paid

69 12 upon reasonable notice and demand.

69 13 Sec. 85. Section 321.101A, Code 2007, is amended to read  
69 14 as follows:

69 15 321.101A REVOCATION OF REGISTRATION BY COUNTY TREASURER.

69 16 The county treasurer may revoke the registration and  
69 17 registration plates of a vehicle if the annual registration  
69 18 ~~fees are fee or the fee for new registration is~~ paid by check,  
69 19 electronic payment, or credit card and the check, electronic  
69 20 payment, or credit card is not honored by the payer's  
69 21 financial institution or credit card company, upon reasonable  
69 22 notice and demand. The owner of the vehicle or person in  
69 23 possession of the registration and registration plates for the  
69 24 vehicle shall immediately return the revoked registration and  
69 25 registration plates to the appropriate county treasurer's  
69 26 office.

69 27 Sec. 86. Section 321.105, Code 2007, is amended to read as  
69 28 follows:

69 29 321.105 ANNUAL REGISTRATION FEE REQUIRED.

69 30 1. An annual registration fee shall be paid for each  
69 31 vehicle operated upon the public highways of this state unless  
69 32 the vehicle is specifically exempted under this chapter. If a  
69 33 vehicle, which has been registered for the current  
69 34 registration year, is transferred during the registration  
69 35 year, the transferee shall reregister the vehicle as provided  
70 1 in section 321.46.

70 2 2. The annual registration fee shall be paid to the county  
70 3 treasurer at the same time the application is made for the  
70 4 registration or reregistration of the motor vehicle or  
70 5 trailer. An owner may, when applying for registration or  
70 6 reregistration of a motor vehicle or trailer, request that the  
70 7 plates be mailed to the owner's post-office address. The  
70 8 owner's request shall be accompanied by a mailing fee as  
70 9 determined annually by the director in consultation with the  
70 10 Iowa county treasurers association.

70 11 3. Upon application by a financial institution, as defined  
70 12 in section 422.61, and approval of the application by the  
70 13 county treasurer, the county treasurer in any county may  
70 14 authorize the financial institution to receive applications  
70 15 for renewal of vehicle registrations and payment of the annual  
70 16 registration fees. The annual registration fees shall be  
70 17 delivered to the county treasurer at the time the county  
70 18 treasurer has processed the vehicle registration application.  
70 19 ~~Registration Annual registration~~ fees received with vehicle  
70 20 registration applications shall be designated as public funds  
70 21 only upon receipt of such funds by the county treasurer from  
70 22 the financial institution.

70 23 4. In addition to the payment of an annual registration  
70 24 fee for each trailer and semitrailer to be issued an annual  
70 25 registration plate, an additional registration fee may be paid  
70 26 for a period of two or four subsequent registration years.

70 27 5. Seriously disabled veterans who have been provided with  
70 28 an automobile or other vehicle by the United States government  
70 29 under the provisions of sections 1901 to 1903, Title 38 of the  
70 30 United States Code, 38 U.S.C. } 1901 et seq. (1970), shall be  
70 31 exempt from payment of any automobile registration fee  
70 32 provided in this chapter, and shall be provided, without fee,  
70 33 with a registration plate. The disabled veteran, to be able  
70 34 to claim the above benefit, must be a resident of the state of  
70 35 Iowa. The disabled veteran may obtain a special or  
71 1 personalized plate under section 321.34 by paying the  
71 2 difference between the fee for a regular registration plate  
71 3 and the fee for the special or personalized registration  
71 4 plate.

71 5 Sec. 87. Section 321.106, subsections 1, 2, and 4, Code  
71 6 2007, are amended to read as follows:

71 7 1. When a vehicle is registered under chapter 326 or a  
71 8 motor truck, truck tractor, or road tractor is registered for  
71 9 a combined gross weight exceeding five tons and there is no  
71 10 delinquency and the registration is made in February or  
71 11 succeeding months through November, the annual registration  
71 12 fee shall be prorated for the remaining unexpired months of  
71 13 the registration year. A fee shall not be required for the  
71 14 month of December for a vehicle registered on a calendar year  
71 15 basis on which there is no delinquency. However, except for a  
71 16 vehicle registered under chapter 326, when such a vehicle is  
71 17 registered in November, the vehicle may be registered for the  
71 18 remaining unexpired months of the registration year or for the  
71 19 remaining unexpired months of the registration year and for  
71 20 the next registration year, upon payment of the applicable  
71 21 registration fees.

71 22 2. When a vehicle is registered on a birth month basis and

71 23 there is no delinquency and the registration is made in the  
71 24 month after the beginning of the registration year or  
71 25 succeeding months, the annual registration fee shall be  
71 26 prorated for the remaining unexpired months of the  
71 27 registration year. A fee shall not be required for the month  
71 28 of the owner's birthday for a vehicle on which there is no  
71 29 delinquency. However, when a vehicle registered on a birth  
71 30 month basis is registered during the eleventh month of the  
71 31 registration year, the vehicle may be registered for the  
71 32 remaining unexpired months of the registration year or for the  
71 33 remaining unexpired months of the registration year and for  
71 34 the next registration year, upon payment of the applicable  
71 35 registration fees.

72 1 4. A reduction in the annual registration fee shall not be  
72 2 allowed by the department until the applicant files  
72 3 satisfactory evidence to prove that there is no delinquency in  
72 4 registration.

72 5 Sec. 88. Section 321.109, subsection 3, Code 2007, is  
72 6 amended to read as follows:

72 7 3. The owner of an unregistered motor vehicle or motor  
72 8 vehicle for which the registration is delinquent may make  
72 9 application to the county treasurer of the county of residence  
72 10 or, if the unregistered or delinquent motor vehicle is  
72 11 purchased by a nonresident of the state, to the county  
72 12 treasurer in the county of purchase, for a temporary  
72 13 thirty-day permit for a fee of twenty-five dollars. The  
72 14 permit shall authorize the motor vehicle to be driven or towed  
72 15 upon the highway, but shall not authorize a motor truck or  
72 16 truck tractor to haul or tow a load. The permit fee shall not  
72 17 be considered a registration fee or exempt the owner from  
72 18 payment of all other fees, registration fees, and penalties  
72 19 due. If the annual registration fee for the motor vehicle is  
72 20 delinquent, the annual registration fee and penalty shall  
72 21 continue to accrue until paid. The permit fee shall not be  
72 22 prorated, refunded, or used as credit as provided under  
72 23 section 321.46. The permit shall be displayed in the upper  
72 24 left-hand corner of the rear window of all motor vehicles,  
72 25 except motorcycles. Permits issued for a motorcycle shall be  
72 26 attached to the rear of the motorcycle.

72 27 Sec. 89. Section 321.110, Code 2007, is amended to read as  
72 28 follows:

72 29 321.110 REJECTING FRACTIONAL DOLLARS.

72 30 When the annual registration fee, computed according to  
72 31 section 321.109, subsection 1, totals a fraction over a  
72 32 certain number of dollars the fee shall be arrived at by  
72 33 computing to the nearest even dollar.

72 34 Sec. 90. Section 321.113, Code 2007, is amended to read as  
72 35 follows:

73 1 321.113 AUTOMATIC REDUCTION.

73 2 1. The annual registration fee for a motor vehicle shall  
73 3 not be automatically reduced under this section unless the  
73 4 ~~registration~~ fee is based on the value and weight of the motor  
73 5 vehicle as provided in section 321.109, subsection 1.

73 6 2. If a motor vehicle is more than five model years old,  
73 7 the part of the annual registration fee that is based on the  
73 8 value of the vehicle shall be seventy-five percent of the rate  
73 9 as fixed when the motor vehicle was new.

73 10 3. If a motor vehicle is more than six model years old,  
73 11 the part of the annual registration fee that is based on the  
73 12 value of the vehicle shall be fifty percent of the rate as  
73 13 fixed when the motor vehicle was new.

73 14 4. If a 1994 model year or newer motor vehicle is nine  
73 15 model years old or older the annual registration fee is  
73 16 thirty-five dollars. For purposes of determining the portion  
73 17 of the annual registration fee under this subsection that is  
73 18 based upon the value of the motor vehicle, sixty percent of  
73 19 the annual registration fee is attributable to the value of  
73 20 the vehicle.

73 21 5. a. If a 1993 model year or older motor vehicle has  
73 22 been titled in the same person's name since the vehicle was  
73 23 new or the title to the vehicle was transferred prior to  
73 24 January 1, 2002, the part of the annual registration fee that  
73 25 is based on the value of the vehicle shall be ten percent of  
73 26 the rate as fixed when the motor vehicle was new.

73 27 b. If the title of a 1993 model year or older motor  
73 28 vehicle is transferred to a new owner or if such a motor  
73 29 vehicle is brought into the state on or after January 1, 2002,  
73 30 the annual registration fee shall not be based on the weight  
73 31 and list price of the motor vehicle, but shall be as follows:

73 32 (1) For a motor vehicle that is model year  
73 33 1969 or older:..... \$ 16.00



73 34 (2) For a motor vehicle that is model year  
73 35 1970 through 1989:..... \$ 23.00  
74 1 (3) For a motor vehicle that is model year  
74 2 1990 through 1993:..... \$ 27.00  
74 3 For purposes of determining the portion of the annual  
74 4 registration fee under this paragraph "b" that is based upon  
74 5 the value of the motor vehicle, sixty percent of the annual  
74 6 registration fee is attributable to the value of the vehicle.  
74 7 Sec. 91. Section 321.117, Code 2007, is amended to read as  
74 8 follows:  
74 9 321.117 MOTORCYCLE, AMBULANCE, AND HEARSE FEES.  
74 10 For all motorcycles the annual registration fee shall be  
74 11 twenty dollars. For all motorized bicycles the annual  
74 12 registration fee shall be seven dollars. When the motorcycle  
74 13 is more than five model years old, the annual registration fee  
74 14 shall be ten dollars. The annual registration fee for  
74 15 ambulances and hearses shall be fifty dollars. Passenger car  
74 16 plates shall be issued for ambulances and hearses.  
74 17 Sec. 92. Section 321.119, Code 2007, is amended to read as  
74 18 follows:  
74 19 321.119 CHURCH BUSES.  
74 20 For motor vehicles designed to carry nine passengers or  
74 21 more which are owned and used exclusively by a church or  
74 22 religious organization to transport passengers to and from  
74 23 activities of or sponsored by the church or religious  
74 24 organization and not operated for rent or hire for purposes  
74 25 unrelated to the activities of the church or religious  
74 26 organization, the annual registration fee shall be twenty-five  
74 27 dollars.  
74 28 Sec. 93. Section 321.121, Code 2007, is amended to read as  
74 29 follows:  
74 30 321.121 SPECIAL TRUCKS FOR FARM USE.  
74 31 1. The annual registration fee for a special truck shall  
74 32 be eighty dollars for a gross weight of six tons, one hundred  
74 33 dollars for a gross weight of seven tons, one hundred twenty  
74 34 dollars for a gross weight of eight tons, and in addition,  
74 35 fifteen dollars for each ton over eight tons and not exceeding  
75 1 eighteen tons. The annual registration fee for a special  
75 2 truck with a gross weight registration exceeding eighteen tons  
75 3 but not exceeding nineteen tons shall be three hundred  
75 4 twenty-five dollars and for a gross weight registration  
75 5 exceeding nineteen tons but not exceeding twenty tons the  
75 6 annual registration fee shall be three hundred seventy-five  
75 7 dollars. The additional annual registration fee for a special  
75 8 truck for a gross weight registration in excess of twenty tons  
75 9 is twenty-five dollars for each ton over twenty tons and not  
75 10 exceeding thirty-two tons.  
75 11 2. A person convicted of or found by audit to be using a  
75 12 motor vehicle registered as a special truck for any purpose  
75 13 other than permitted by section 321.1, subsection 76, shall,  
75 14 in addition to any other penalty imposed by law, be required  
75 15 to pay regular annual motor vehicle registration fees upon for  
75 16 such motor vehicle.  
75 17 Sec. 94. Section 321.123, unnumbered paragraph 1, Code  
75 18 2007, is amended to read as follows:  
75 19 All trailers except farm trailers, mobile homes, and  
75 20 manufactured homes, unless otherwise provided in this section,  
75 21 are subject to ~~a~~ an annual registration fee of ten dollars.  
75 22 Trailers for which the empty weight is two thousand pounds or  
75 23 less are exempt from the certificate of title and lien  
75 24 provisions of this chapter. Fees collected under this section  
75 25 shall not be reduced or prorated under chapter 326.  
75 26 Sec. 95. Section 321.123, subsection 1, unnumbered  
75 27 paragraph 1, Code 2007, is amended to read as follows:  
75 28 Travel trailers and fifth-wheel travel trailers, except  
75 29 those in manufacturer's or dealer's stock, shall be subject to  
75 30 an annual registration fee of twenty cents per square foot of  
75 31 floor space computed on the exterior overall measurements, but  
75 32 excluding three feet occupied by any trailer hitch as provided  
75 33 by and certified to by the owner, to the nearest whole dollar.  
75 34 When a travel trailer or fifth-wheel travel trailer is  
75 35 registered in Iowa for the first time or when title is  
76 1 transferred, the annual registration fee shall be prorated on  
76 2 a monthly basis. The annual registration fee shall be reduced  
76 3 to seventy-five percent of the full fee after the vehicle is  
76 4 more than six model years old.  
76 5 Sec. 96. Section 321.125, Code 2007, is amended to read as  
76 6 follows:  
76 7 321.125 EFFECT OF EXEMPTION.  
76 8 The exemption of a motor vehicle from ~~a~~ an annual  
76 9 registration fee or a fee for new registration shall not

76 10 exempt the operator of such vehicle from the performance of  
76 11 any other duty imposed on the operator by this chapter.

76 12 Sec. 97. Section 321.126, Code 2007, is amended to read as  
76 13 follows:

76 14 321.126 REFUNDS OF ANNUAL REGISTRATION FEES.

76 15 Refunds of unexpired annual vehicle registration fees shall  
76 16 be allowed in accordance with this section, except that no  
76 17 refund shall be allowed and paid if the unused portion of the  
76 18 fee is less than ten dollars. Subsections 1 and 2 do not  
76 19 apply to vehicles registered by the county treasurer. The  
76 20 refunds shall be made as follows:

76 21 1. If the vehicle is destroyed by fire or accident, or  
76 22 junked and its identity as a vehicle entirely eliminated, the  
76 23 owner in whose name the vehicle was registered at the time of  
76 24 destruction or dismantling shall return the plates to the  
76 25 department and within thirty days thereafter make a statement  
76 26 of such destruction or dismantling and make claim for refund.  
76 27 With reference to the destruction or dismantling of a vehicle,  
76 28 no refund shall be allowed unless a junking certificate has  
76 29 been issued, as provided in section 321.52.

76 30 2. If the vehicle is stolen, the owner shall give notice  
76 31 of the theft to the department within five days. If the  
76 32 vehicle is not recovered by the owner thirty days prior to the  
76 33 end of the current registration year, the owner shall make a  
76 34 statement of the theft and make claim for refund.

76 35 3. If the vehicle is placed in storage by the owner upon  
77 1 the owner's entry into the military service of the United  
77 2 States, the owner shall return the plates to the county  
77 3 treasurer or the department and make a statement regarding the  
77 4 storage and military service and make claim for refund.  
77 5 Whenever the owner of a vehicle so placed in storage desires  
77 6 to again register the vehicle, the county treasurer or  
77 7 department shall compute and collect the fees for registration  
77 8 for the registration year commencing in the month the vehicle  
77 9 is removed from storage.

77 10 4. If the vehicle is registered by the county treasurer  
77 11 during the current registration year and the owner or lessee  
77 12 registers the vehicle for proportional registration under  
77 13 chapter 326, the owner of the registered vehicle shall  
77 14 surrender the registration plates to the county treasurer and  
77 15 may file a claim for refund. In lieu of a refund, a credit  
77 16 for the annual registration fees paid to the county treasurer  
77 17 may be applied by the department to the owner or lessee's  
77 18 proportional registration fees upon the surrender of the  
77 19 county plates and registration.

77 20 5. A refund for trailers and semitrailers issued a  
77 21 multiyear registration plate shall be paid by the department  
77 22 upon application.

77 23 6. If a vehicle is sold or junked, the owner in whose name  
77 24 the vehicle was registered may make claim to the county  
77 25 treasurer or department for a refund of the sold or junked  
77 26 vehicle's annual registration fee. Also if the owner of a  
77 27 vehicle receives a vehicle registration fee credit under  
77 28 section 321.46, subsection 3, and the credit allowed exceeds  
77 29 the amount of the annual registration fee for the vehicle  
77 30 acquired, the owner may claim a refund for the balance of the  
77 31 credit. The refund is subject to the following limitations:

77 32 a. If a vehicle registration fee credit has not been  
77 33 received by the owner of the vehicle under section 321.46,  
77 34 subsection 3, the refund shall be computed on the basis of the  
77 35 number of unexpired months remaining in the registration year  
78 1 at the time the vehicle was sold or junked. The refund shall  
78 2 be rounded to the nearest whole dollar. Section 321.127,  
78 3 subsection 1, does not apply.

78 4 b. The refund shall only be allowed if the owner makes  
78 5 claim for the refund within six months after the date of the  
78 6 vehicle's sale, trade, or junking.

78 7 c. This subsection does not apply to vehicles registered  
78 8 under chapter 326.

78 9 7. If the vehicle was leased and an affidavit was filed by  
78 10 the lessor or the lessee as provided in section 321.46, the  
78 11 lessor or the lessee, as applicable, may make a claim for a  
78 12 refund with the county treasurer of the county where the  
78 13 vehicle was registered within six months of the vehicle's  
78 14 surrender to the lessor. The refund shall be paid to either  
78 15 the lessor or the lessee, as specified on the application for  
78 16 title and registration pursuant to section 321.20.

78 17 8. If the owner of the vehicle moves out of state, the  
78 18 owner may make a claim for a refund by returning the Iowa  
78 19 registration plates, along with evidence of the vehicle's  
78 20 registration in another jurisdiction, to the county treasurer

78 21 of the county in which the vehicle was registered within six  
78 22 months of the out-of-state registration. For purposes of  
78 23 section 321.127, the unexpired months remaining in the  
78 24 registration year shall be calculated on the basis of the  
78 25 effective date of the out-of-state registration. However, for  
78 26 the purpose of timely issuance of the refund, the claim for a  
78 27 refund under this subsection is considered to be filed on the  
78 28 date the registration documents are received by the county  
78 29 treasurer.

78 30 9. Notwithstanding any provision of this section to the  
78 31 contrary, there shall be no refund of proportional  
78 32 registration fees unless the state which issued the base plate  
78 33 for the vehicle allows such refund. If an owner subject to  
78 34 proportional registration leases the vehicle for which the  
78 35 refund is sought, the claim shall be filed in the names of  
79 1 both the lessee and the lessor and the refund payment made  
79 2 payable to both the lessor and the lessee. The term "owner"  
79 3 for purposes of this section shall include a person in whom is  
79 4 vested right of possession or control of a vehicle which is  
79 5 subject to a lease, contract, or other legal arrangement  
79 6 vesting right of possession or control in addition to the term  
79 7 as defined in section 321.1, subsection 49.

79 8 Sec. 98. Section 321.127, subsection 1, Code 2007, is  
79 9 amended to read as follows:

79 10 1. The refund of the annual registration fee for vehicles  
79 11 shall be computed on the basis of the number of unexpired  
79 12 months remaining in the registration year from date of filing  
79 13 of the claim for refund with the county treasurer, computed to  
79 14 the nearest dollar.

79 15 Sec. 99. Section 321.132, Code 2007, is amended to read as  
79 16 follows:

79 17 321.132 WHEN LIEN ATTACHES.

79 18 The lien of the original annual registration fee attaches,  
79 19 at the time the fee is first payable, as provided by law, and  
79 20 the lien of all renewals of registration attach on the first  
79 21 day of each succeeding registration year.

79 22 Sec. 100. Section 321.134, Code Supplement 2007, is  
79 23 amended to read as follows:

79 24 321.134 MONTHLY PENALTY.

79 25 1. On the first day of the second month following the  
79 26 beginning of each registration year a penalty of five percent  
79 27 of the annual registration fee shall be added to the annual  
79 28 registration fees not paid by that date and an additional  
79 29 penalty of five percent shall be added the first day of each  
79 30 succeeding month, until the fee is paid. A penalty shall not  
79 31 be less than five dollars. If the owner of a vehicle  
79 32 surrenders the registration plates for a vehicle prior to the  
79 33 plates becoming delinquent, to the county treasurer of the  
79 34 county where the vehicle is registered, or to the department  
79 35 if the vehicle is registered under chapter 326, the owner may  
80 1 register the vehicle any time thereafter upon payment of the  
80 2 annual registration fee for the registration year without  
80 3 penalty. The penalty on vehicles registered under chapter 326  
80 4 shall accrue February 1 of each year. To avoid a penalty or  
80 5 an additional penalty in the case of a delinquent  
80 6 registration, if the last calendar day of a month falls on  
80 7 Saturday, Sunday, or a holiday, the payment deadline is  
80 8 extended to include the first business day of the following  
80 9 month. For payments made through a county treasurer's  
80 10 authorized website only, if the last day of the month falls on  
80 11 a Saturday, Sunday, or a holiday, the electronic payment must  
80 12 be initiated by midnight on the first business day of the next  
80 13 month. All other electronic payments must be initiated by  
80 14 midnight on the last day of the month preceding the delinquent  
80 15 date.

80 16 2. The annual registration fee for trucks, truck tractors,  
80 17 and road tractors, as provided in sections 321.121 and  
80 18 321.122, may be payable in two equal semiannual installments  
80 19 if the annual registration fee exceeds the annual registration  
80 20 fee for a vehicle with a gross weight exceeding five tons.  
80 21 The penalties provided in subsection 1 shall be computed on  
80 22 the amount of the first installment only and on the first day  
80 23 of the seventh month of the registration period the same rate  
80 24 of penalty shall apply to the second installment, until the  
80 25 fee is paid. Semiannual installments do not apply to  
80 26 commercial vehicles, as defined under section 326.2, subject  
80 27 to proportional registration, with a base state other than the  
80 28 state of Iowa, as defined in section 326.2, subsection 1. The  
80 29 penalty on vehicles registered under chapter 326 accrues  
80 30 August 1 of each year except as provided in section 326.6.  
80 31 The department shall not allow the annual registration fee for

80 32 a commercial vehicle registered under chapter 326 to be paid  
80 33 in two equal semiannual installments for five years after the  
80 34 registrant has paid the annual registration fee late for two  
80 35 consecutive years.

81 1 3. If a penalty applies to ~~a~~ an annual vehicle  
81 2 registration fee provided for in sections 321.121 and 321.122,  
81 3 the same penalty shall be assessed on the fees collected to  
81 4 increase the registered gross weight of the vehicle, if the  
81 5 increased gross weight is requested within forty-five days  
81 6 from the date the delinquent vehicle is registered for the  
81 7 current registration period.

81 8 4. Notwithstanding subsections 1 through 3, if a vehicle  
81 9 registration is delinquent for twenty-four months or more, a  
81 10 flat penalty and fee shall be assessed for the delinquent  
81 11 period in addition to the current annual registration fee.  
81 12 The flat penalty and fee shall be one hundred fifty percent of  
81 13 the current annual registration fee.

81 14 5. The department shall waive the penalties imposed by  
81 15 this section for an owner who is in the military service of  
81 16 the United States and who has been relocated as a result of  
81 17 being placed on active duty on or after September 11, 2001.  
81 18 The department shall adopt rules to implement this subsection,  
81 19 including, if necessary, procedures for refunding penalties  
81 20 collected prior to March 29, 2004.

81 21 Sec. 101. Section 321.135, Code 2007, is amended to read  
81 22 as follows:

81 23 321.135 WHEN FEES DELINQUENT.

81 24 Except as otherwise provided, ~~delinquencies begin annual~~  
81 25 registration fees become delinquent and penalties accrue the  
81 26 first of the month following the purchase of a new vehicle,  
81 27 and thirty days following the date a vehicle is brought into  
81 28 the state.

81 29 Sec. 102. Section 321.151, Code 2007, is amended to read  
81 30 as follows:

81 31 321.151 DUTY AND LIABILITY OF TREASURER.

81 32 The county treasurer shall collect the registration fee,  
81 33 the fee for new registration, and penalties on each vehicle  
81 34 registered by the county treasurer and shall be responsible on  
81 35 the county treasurer's bond for such amount. The county  
82 1 treasurer shall remit such amount to the treasurer of state as  
82 2 provided in this chapter. Fees collected pursuant to  
82 3 participation in county issuance of driver's licenses under  
82 4 chapter 321M shall be governed by the provisions of that  
82 5 chapter.

82 6 Sec. 103. Section 321.152, subsection 1, Code 2007, is  
82 7 amended to read as follows:

82 8 1. Four percent of the total collection, excluding the  
82 9 amount of any fee for new registration, for each annual or  
82 10 semiannual vehicle registration and each duplicate  
82 11 registration card or plate issued.

82 12 Sec. 104. Section 321.152, Code 2007, is amended by adding  
82 13 the following new subsection:

82 14 NEW SUBSECTION. 5. One dollar from each fee for new  
82 15 registration collected pursuant to section 321.105A.

82 16 Sec. 105. Section 321.159, Code 2007, is amended to read  
82 17 as follows:

82 18 321.159 EXCEPTIONAL CASES == ANNUAL REGISTRATION FEE.

82 19 The department shall have the power to fix the annual  
82 20 registration fee on all makes and models of motor vehicles  
82 21 which are not now being furnished or upon which the statement  
82 22 from the factory cannot be obtained.

82 23 For a current year model of a motor vehicle for which the  
82 24 manufacturer or importer of the motor vehicle has not provided  
82 25 the weight and list price, the department shall set the annual  
82 26 registration fee at ten dollars greater than the annual  
82 27 registration fee for the previous year model. Once the  
82 28 manufacturer or importer provides the required information,  
82 29 the information shall be used to set the annual registration  
82 30 fee or the registration renewal fee for the succeeding  
82 31 registration or registration renewal time for the motor  
82 32 vehicle.

82 33 Sec. 106. Section 321.170, Code 2007, is amended to read  
82 34 as follows:

82 35 321.170 PLATES FOR EXEMPT VEHICLES.

83 1 The department shall furnish, on application, free of  
83 2 charge, distinguishing plates for motor vehicles exempted from  
83 3 ~~a~~ annual registration ~~fee~~ fees and shall keep a separate  
83 4 record thereof.

83 5 Sec. 107. Section 322G.4, subsection 2, unnumbered  
83 6 paragraph 2, Code 2007, is amended to read as follows:

83 7 Refunds shall be made to the consumer and lienholder of

83 8 record, if any, as their interests appear. If applicable,  
83 9 refunds shall be made to the lessor and lessee as follows:  
83 10 the lessee shall receive the lessee's cost less a reasonable  
83 11 offset for use, and the lessor shall receive the lease price  
83 12 less the aggregate deposit and rental payments previously paid  
83 13 to the lessor for the leased vehicle. If it is determined  
83 14 that the lessee is entitled to a refund pursuant to this  
83 15 chapter, the consumer's lease agreement with the lessor is  
83 16 terminated upon payment of the refund and no penalty for early  
83 17 termination shall be assessed. The department of revenue  
83 18 shall refund to the manufacturer any use tax or fee for new  
~~83 19 registration~~ which the manufacturer refunded to the consumer,  
83 20 lessee, or lessor under this section, if the manufacturer  
83 21 provides to the department of revenue a written request for a  
83 22 refund and evidence that the use tax or fee for new  
~~83 23 registration~~ was paid when the vehicle was purchased and that  
83 24 the manufacturer refunded the use tax or fee for new  
~~83 25 registration~~ to the consumer, lessee, or lessor.

83 26 Sec. 108. Section 322G.12, unnumbered paragraph 1, Code  
83 27 2007, is amended to read as follows:

83 28 A manufacturer who accepts the return of a motor vehicle  
83 29 pursuant to a settlement, determination, or decision under  
83 30 this chapter shall notify the state department of  
83 31 transportation, report the vehicle identification number of  
83 32 that motor vehicle within ten days after the acceptance, and  
83 33 obtain a new certificate of title for the vehicle in the  
83 34 manufacturer's name pursuant to section 321.46. In obtaining  
83 35 a new certificate of title, the manufacturer shall title the  
84 1 vehicle in the county of the transferor's residence and shall  
84 2 be exempt from the registration fee requirements of section  
84 3 321.46. ~~For purposes of chapter 423, a manufacturer's~~  
~~84 4 acceptance of the return of a motor vehicle, as described in~~  
~~84 5 this section, shall not be considered "use", as defined in~~  
~~84 6 section 423.1 and the fee for new registration under section~~  
~~84 7 321.105A.~~ The new certificate of title, and all subsequent  
84 8 registration receipts and certificates of title issued for the  
84 9 motor vehicle, shall contain a designation indicating that the  
84 10 motor vehicle was returned to the manufacturer pursuant to  
84 11 this chapter or a similar law of another state. The state  
84 12 department of transportation shall determine the manner in  
84 13 which the designation is to be indicated on registration  
84 14 receipts and certificates of title and may determine that a  
84 15 "REBUILT" or "SALVAGE" designation supersedes the designation  
84 16 required by this paragraph and include the "REBUILT" or  
84 17 "SALVAGE" designation on the registration receipt and  
84 18 certificate of title in lieu of the designation required by  
84 19 this paragraph.

84 20 Sec. 109. Section 326.2, Code 2007, is amended by adding  
84 21 the following new subsection:  
84 22 NEW SUBSECTION. 11A. "Registration fee" means the annual  
84 23 motor vehicle registration fee imposed pursuant to section  
84 24 321.105, unless otherwise specified.

84 25 Sec. 110. Section 327I.26, Code 2007, is amended to read  
84 26 as follows:

84 27 327I.26 APPROPRIATION TO AUTHORITY.

~~84 28 Notwithstanding section 423.43, and prior to the~~  
~~84 29 application of section 423.43, subsection 1, paragraph "b",~~  
~~84 30 there~~ There shall be deposited into the general fund of the  
84 31 state and is appropriated to the authority from eighty percent  
~~84 32 of the revenues derived from the operation of section 423.26~~  
~~84 33 the statutory allocations fund created under section 321.145,~~  
~~84 34 subsection 2,~~ the amounts certified by the authority under

84 35 section 327I.25. However, the total amount deposited into the  
85 1 general fund and appropriated to the Iowa railway finance  
85 2 authority under this section shall not exceed two million  
85 3 dollars annually. Moneys appropriated to the Iowa railway  
85 4 finance authority under this section are appropriated only for  
85 5 the payment of principal and interest on obligations or the  
85 6 payment of leases guaranteed by the authority as provided  
85 7 under section 327I.25.

85 8 Sec. 111. Section 331.557, subsection 3, Code 2007, is  
85 9 amended to read as follows:

85 10 3. Collect the use tax on vehicles subject ~~to registration~~  
85 11 only to a certificate of title and on manufactured housing as  
85 12 provided in sections section 423.147 and section 423.26, and  
~~85 13 423.27, subsection 1.~~

85 14 Sec. 112. Section 423.5, subsection 3, Code 2007, is  
85 15 amended to read as follows:

85 16 3. The use of leased vehicles, if the lease transaction  
85 17 does not require titling or registration of the vehicle, on  
85 18 the amount subject to tax as calculated pursuant to section

85 19 ~~423.27~~ 423.26, subsection 2.  
85 20 Sec. 113. Section 423.36, subsection 8, paragraph b,  
85 21 subparagraph (2), Code 2007, is amended to read as follows:  
85 22 (2) Taxes imposed under ~~sections~~ section 423.26 ~~and 423.27~~  
85 23 and chapter 423C.  
85 24 Sec. 114. Section 423.57, Code Supplement 2007, is amended  
85 25 to read as follows:  
85 26 423.57 STATUTES APPLICABLE.  
85 27 The director shall administer this subchapter as it relates  
85 28 to the taxes imposed in this chapter in the same manner and  
85 29 subject to all the provisions of, and all of the powers,  
85 30 duties, authority, and restrictions contained in sections  
85 31 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,  
85 32 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,  
85 33 423.32, 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,  
85 34 423.40, 423.41, and 423.42, section 423.43, subsection ~~3~~ 1,  
85 35 and sections 423.45, 423.46, and 423.47.  
86 1 Sec. 115. Section 423B.4, unnumbered paragraphs 2 and 3,  
86 2 Code 2007, are amended to read as follows:  
86 3 Payment of a local vehicle tax shall be evidenced by a  
86 4 notation on the state registration certificate. The director  
86 5 of the department of transportation shall prescribe by rule  
86 6 the type of notation. A local vehicle tax shall not be  
86 7 refunded even when annual state registration fees are  
86 8 refunded.  
86 9 Penalties for late payment which are comparable to the  
86 10 penalties for late payment of annual state registration fees  
86 11 shall be imposed by the ordinance imposing a local vehicle  
86 12 tax. Willful violation of a local vehicle tax ordinance is a  
86 13 simple misdemeanor.  
86 14 Sec. 116. Section 455D.11C, subsection 1, Code 2007, is  
86 15 amended to read as follows:  
86 16 1. A waste tire management fund is created within the  
86 17 state treasury. ~~Moneys For the fiscal year beginning July 1,~~  
86 18 ~~2002, through the fiscal year beginning July 1, 2006, moneys~~  
86 19 received from each five dollar surcharge on the issuance of a  
86 20 certificate of title shall be deposited as provided in section  
86 21 321.52A, ~~subsection 2~~ Code 2007. Notwithstanding section  
86 22 8.33, any unexpended balance in the fund at the end of each  
86 23 fiscal year shall be retained in the fund. Notwithstanding  
86 24 section 12C.7, any interest or earnings on investments from  
86 25 moneys in the fund shall be credited to the fund. Moneys from  
86 26 the fund that are expended by the department in closing or  
86 27 bringing into compliance a waste tire collection site pursuant  
86 28 to section 455D.11A and later recouped by the department shall  
86 29 be credited to the fund.  
86 30 Sec. 117. Section 455G.3, subsection 1, Code 2007, is  
86 31 amended to read as follows:  
86 32 1. The Iowa comprehensive petroleum underground storage  
86 33 tank fund is created as a separate fund in the state treasury,  
86 34 and any funds remaining in the fund at the end of each fiscal  
86 35 year shall not revert to the general fund but shall remain in  
87 1 the Iowa comprehensive petroleum underground storage tank  
87 2 fund. Interest or other income earned by the fund shall be  
87 3 deposited in the fund. The fund shall include moneys credited  
87 4 to the fund under this section, section ~~423.43~~ 321.145,  
87 5 subsection ~~2~~, paragraph "a", and sections 455G.8, 455G.9,  
87 6 and 455G.11, Code 2003, and other funds which by law may be  
87 7 credited to the fund. The moneys in the fund are appropriated  
87 8 to and for the purposes of the board as provided in this  
87 9 chapter. Amounts in the fund shall not be subject to  
87 10 appropriation for any other purpose by the general assembly,  
87 11 but shall be used only for the purposes set forth in this  
87 12 chapter. The treasurer of state shall act as custodian of the  
87 13 fund and disburse amounts contained in it as directed by the  
87 14 board including automatic disbursements of funds as received  
87 15 pursuant to the terms of bond indentures and documents and  
87 16 security provisions to trustees and custodians. The treasurer  
87 17 of state is authorized to invest the funds deposited in the  
87 18 fund at the direction of the board and subject to any  
87 19 limitations contained in any applicable bond proceedings. The  
87 20 income from such investment shall be credited to and deposited  
87 21 in the fund. The fund shall be administered by the board  
87 22 which shall make expenditures from the fund consistent with  
87 23 the purposes of the programs set out in this chapter without  
87 24 further appropriation. The fund may be divided into different  
87 25 accounts with different depositories as determined by the  
87 26 board and to fulfill the purposes of this chapter.  
87 27 Sec. 118. Section 455G.6, subsection 4, Code 2007, is  
87 28 amended to read as follows:  
87 29 4. Grant a mortgage, lien, pledge, assignment, or other

87 30 encumbrance on one or more improvements, revenues, asset of  
87 31 right, accounts, or funds established or received in  
87 32 connection with the fund, including revenues derived from the  
87 33 ~~use tax moneys credited~~ under section ~~423.43~~ 321.145,  
87 34 subsection ~~±~~ 2, paragraph "a", and deposited in the fund or an  
87 35 account of the fund.

88 1 Sec. 119. Section 455G.8, subsection 2, Code 2007, is  
88 2 amended to read as follows:

88 3 2. ~~USE TAX STATUTORY ALLOCATIONS FUND. The revenues~~  
~~88 4 derived from the use tax imposed under chapter 423, subchapter~~  
~~88 5 III. The proceeds of the use tax moneys credited from the~~  
~~88 6 statutory allocations fund under section 423.43 321.145,~~  
88 7 subsection ~~±~~ 2, paragraph "a", shall be allocated, consistent  
88 8 with this chapter, among the fund's accounts, for debt service  
88 9 and other fund expenses, according to the fund budget,  
88 10 resolution, trust agreement, or other instrument prepared or  
88 11 entered into by the board or authority under direction of the  
88 12 board.

88 13 Sec. 120. Section 321.115, subsection 1, as enacted by  
88 14 2007 Iowa Acts, chapter 143, section 12, is amended to read as  
88 15 follows:

88 16 1. A motor vehicle twenty-five years old or older may be  
88 17 registered as an antique vehicle ~~upon payment of. The annual~~  
~~88 18 registration fee is the fee provided for~~ in section 321.113,  
88 19 321.122, or 321.124. The owner of a motor vehicle registered  
88 20 under this subsection may display authentic Iowa registration  
88 21 plates from the model year of the motor vehicle, furnished by  
88 22 the person and approved by the department, in lieu of the  
88 23 current and valid Iowa registration plates issued for the  
88 24 vehicle, provided that the current and valid Iowa registration  
88 25 plates and the registration card issued for the vehicle are  
88 26 simultaneously carried within the vehicle and are available  
88 27 for inspection to any peace officer upon the officer's  
88 28 request.

88 29 Sec. 121. Section 321.173, as amended by 2008 Iowa Acts,  
88 30 House File 2213, is amended by adding the following new  
88 31 subsection:

88 32 NEW SUBSECTION. 3. This section does not apply to the fee  
88 33 for new registration administered by the department of revenue  
88 34 pursuant to section 321.105A.

88 35 Sec. 122. 2007 Iowa Acts, chapter 179, section 6, is  
89 1 amended to read as follows:

89 2 SEC. 6. Section 423.57, Code 2007, as amended by this Act,  
89 3 is amended to read as follows:

89 4 423.57 STATUTES APPLICABLE.

89 5 The director shall administer this subchapter as it relates  
89 6 to the taxes imposed in this chapter in the same manner and  
89 7 subject to all the provisions of, and all of the powers,  
89 8 duties, authority, and restrictions contained in sections  
89 9 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,  
89 10 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,  
89 11 423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,  
89 12 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection  
89 13 ~~±~~ 1, and sections 423.45, 423.46, and 423.47.

89 14 Sec. 123. Section 423.44, Code 2007, is repealed.

89 15 Sec. 124. PRIOR USE TAX LIABILITY. The enactment of this  
89 16 division of this Act does not affect a person's liability for  
89 17 any use tax, penalty, or interest owed by the person prior to  
89 18 the effective date of this division of this Act.

89 19 Sec. 125. EFFECTIVE DATE. The following sections of this  
89 20 division of this Act take effect January 1, 2009:

89 21 1. The section amending section 321.115, subsection 1, as  
89 22 enacted by 2007 Iowa Acts, chapter 143, section 12.

89 23 2. The section amending 2007 Iowa Acts, chapter 179.

89 24 EXPLANATION

89 25 This bill increases registration fees charged for certain  
89 26 motor vehicles, fees charged for certificates of title, and  
89 27 trailer registration fees and appropriates the additional  
89 28 revenues to the transportation investment moves the economy in  
89 29 the twenty-first century (TIME=21) fund. The bill also  
89 30 replaces the use tax on vehicles with a registration fee  
89 31 imposed at the time of application for registration and a  
89 32 certificate of title. The bill contains additional related  
89 33 provisions.

89 34 DIVISION I == MOTOR VEHICLES. The bill requires the  
89 35 treasurer of state, prior to distributing moneys under the  
90 1 road use tax fund formula, to credit to the TIME=21 fund the  
90 2 amount collected from annual motor vehicle registration fees  
90 3 that is in excess of \$392 million annually. The provision  
90 4 crediting revenues to the TIME=21 fund is repealed, and the  
90 5 revenues will revert to the road use tax fund, on June 30,

90 6 2028. Pursuant to current law, the TIME=21 fund is scheduled  
90 7 to be dissolved on that date.

90 8 The bill requires that most 2010 and newer model year motor  
90 9 trucks with an unladen weight of 10,000 pounds or less be  
90 10 registered for a fee based on the weight and value of the  
90 11 vehicle. Currently, such trucks are registered for flat fees  
90 12 based on combined gross weight. Under the bill,  
90 13 business=trade trucks will continue to be registered for flat  
90 14 fees. The bill defines "business=trade truck" as a motor  
90 15 truck with an unladen weight of 10,000 pounds or less which is  
90 16 owned by a corporation, limited liability company, or  
90 17 partnership or by a person who files a schedule C or schedule  
90 18 F form for federal tax purposes and which is eligible for  
90 19 depreciation for federal tax purposes. In the case of a  
90 20 leased truck, the lessee must be a corporation, limited  
90 21 liability company, or partnership or a person who files a  
90 22 schedule C or schedule F form for tax purposes and the truck  
90 23 must be used primarily for business or farm operations. A  
90 24 person who registers a vehicle as a business=trade truck shall  
90 25 be required to provide proof or affirm that the vehicle meets  
90 26 the qualifications for such registration. Special  
90 27 registration plates shall be issued that distinguish  
90 28 business=trade trucks from trucks that are subject to regular  
90 29 registration fees based on weight and value. A person who  
90 30 registers a vehicle as a business=trade truck that is not  
90 31 qualified for the registration shall be required to pay the  
90 32 difference between the registration fees paid and the  
90 33 registration fees owed for each year of violation. In  
90 34 addition, if the person knowingly registered the vehicle  
90 35 improperly as a business=trade truck, a penalty is imposed in  
91 1 the amount of \$750 for each year of improper registration, up  
91 2 to a maximum of \$2,250. County treasurers may retain 25  
91 3 percent of the moneys collected from such penalties, with the  
91 4 remainder accruing to the road use tax fund. Penalties  
91 5 provided under existing law may also apply. Currently, a  
91 6 person who knowingly falsifies a registration application is  
91 7 guilty of a fraudulent practice. The penalties for fraudulent  
91 8 practice are determined by the amount of money involved,  
91 9 ranging from a simple misdemeanor for amounts of \$200 or less  
91 10 to a class "C" felony for amounts in excess of \$10,000.

91 11 Passenger vehicles are registered for a fee that is based  
91 12 on the weight and value of the vehicle: 1 percent of the  
91 13 vehicle's value plus 40 cents for each 100 pounds of weight of  
91 14 the vehicle. Currently, the amount of the fee that is based  
91 15 on value is reduced to 75 percent of the rate as fixed when  
91 16 the vehicle was new if the vehicle is more than five model  
91 17 years old and 50 percent if the vehicle is more than six model  
91 18 years old. When the vehicle is nine model years old or older,  
91 19 the registration fee drops to \$35. In addition, certain older  
91 20 vehicles that fall under prior fee schedules pay more modest  
91 21 fees of \$16, \$23, or \$27. The bill provides an expanded  
91 22 schedule for fee reductions as follows: When the vehicle is  
91 23 more than seven model years old, the amount of the fee based  
91 24 on value is 75 percent of the rate as fixed when the vehicle  
91 25 was new; when the vehicle is more than nine model years old,  
91 26 that amount is 50 percent; when the vehicle is 12 model years  
91 27 old or older, the fee drops to \$50. However, under the bill,  
91 28 if the registration fee under the new rate schedule is higher  
91 29 than the owner paid for the same vehicle in the previous  
91 30 registration year, the fee will be the fee from the previous  
91 31 year. The owner of a vehicle currently paying a fee of less  
91 32 than \$50 will continue to pay that lower fee for as long as  
91 33 they own the vehicle. The fee for a vehicle registered by the  
91 34 owner as an antique vehicle prior to January 1, 2009, will be  
91 35 \$23 for model years 1970=1983 and \$16 for model years 1969 and  
92 1 older.

92 2 Fees for special trucks for farm use, which are registered  
92 3 for a gross weight of six tons through 32 tons, are increased  
92 4 under the bill. For a gross weight of six tons, the fee is  
92 5 increased from \$80 to \$100; for a gross weight of seven tons,  
92 6 from \$100 to \$125; and for a gross weight of eight tons, from  
92 7 \$120 to \$155. Fees for special trucks with a gross weight of  
92 8 nine through 18 tons are established as follows: nine tons,  
92 9 \$170; 10 tons, \$190; 11 tons, \$205; 12 tons, \$225; 13 tons,  
92 10 \$245; 14 tons, \$265; 15 tons, \$280; 16 tons, \$295; 17 tons,  
92 11 \$305; and 18 tons, \$315. The fees apply for vehicles  
92 12 registered by a new owner for a 2009 or subsequent  
92 13 registration year. Current owners will continue to pay  
92 14 current fees for as long as they own their vehicles.

92 15 The bill also revises the flat fee schedule for motor  
92 16 trucks registered for a combined gross weight, including



92 17 business=trade trucks. For a combined gross weight of three  
92 18 tons or less, the fee is increased from \$65 to \$150. When the  
92 19 motor vehicle is more than seven model years old, the fee is  
92 20 \$120; more than nine model years old, \$100; and 12 model years  
92 21 old or older, \$50. Registration fees for a combined gross  
92 22 weight exceeding three tons and up to nine tons are increased  
92 23 as follows: For more than three tons but not more than four  
92 24 tons, the fee is increased from \$80 to \$165; for more than  
92 25 four tons but not more than five tons, from \$90 to \$180; for  
92 26 more than five tons but not more than six tons, from \$105 to  
92 27 \$195; for more than six tons but not more than seven tons,  
92 28 from \$130 to \$215; for more than seven tons but not more than  
92 29 eight tons, from \$165 to \$220; and for more than eight tons  
92 30 but not more than nine tons, from \$200 to \$225. The new fees  
92 31 apply for vehicles registered by a new owner for a 2009 or  
92 32 subsequent registration year. Current owners will continue to  
92 33 pay current fees for as long as they own the vehicle.  
92 34 This division of the bill takes effect January 1, 2009, and  
92 35 applies to vehicles registered for registration years  
93 1 beginning in 2009 and thereafter.

93 2 DIVISION II == TITLE FEES. The bill increases the fee  
93 3 charged for issuance of a certificate of title for a motor  
93 4 vehicle or trailer from \$10 to \$20. The fees for a salvage  
93 5 certificate of title and for a motor vehicle returned to a  
93 6 manufacturer are increased from \$2 to \$10.

93 7 The bill requires the treasurer of state, prior to  
93 8 distributing moneys under the road use tax fund formula, to  
93 9 credit monthly to the TIME=21 fund an amount equal to the  
93 10 revenues attributable to the increase in title fees under the  
93 11 bill. The provision crediting revenues to the TIME=21 fund is  
93 12 repealed and new revenues will revert to the road use tax fund  
93 13 on June 30, 2028. Pursuant to current law, the TIME=21 fund  
93 14 is scheduled to be dissolved on that date.

93 15 This division of the bill takes effect January 1, 2009.

93 16 DIVISION III == TRAILER REGISTRATION FEES. The bill  
93 17 increases the fee charged for registration of trailers.  
93 18 Currently, most trailers other than farm trailers and trailers  
93 19 registered for the combined gross weight of the vehicle are  
93 20 subject to a \$10 registration fee. The bill increases the fee  
93 21 to \$20 for such trailers with an empty weight of 2,000 pounds  
93 22 or less, and \$30 for such trailers with an empty weight in  
93 23 excess of 2,000 pounds. The registration fee for travel  
93 24 trailers and fifth-wheel travel trailers, which is based on  
93 25 square footage, is increased from 20 cents to 30 cents per  
93 26 square foot.

93 27 The bill requires the treasurer of state, prior to  
93 28 distributing moneys under the road use tax fund formula, to  
93 29 credit monthly to the TIME=21 fund an amount equal to the  
93 30 revenues attributable to the increase in trailer registration  
93 31 fees under the bill. The provision crediting revenues to the  
93 32 TIME=21 fund is repealed and new revenues will revert to the  
93 33 road use tax fund on June 30, 2028. Pursuant to current law,  
93 34 the TIME=21 fund is scheduled to be dissolved on that date.

93 35 This division of the bill takes effect January 1, 2009, and  
94 1 applies to trailers registered for registration years  
94 2 beginning in 2009 and thereafter.

94 3 DIVISION IV == TIME=21 FUNDING ANALYSIS. The bill requires  
94 4 the department of transportation to analyze additional  
94 5 revenues necessary to provide at least \$200 million annually  
94 6 to the TIME=21 fund by FY 2011=2012, including an analysis of  
94 7 sources of revenue to create a balance of taxes and fees paid  
94 8 by Iowa drivers and out-of-state drivers. A report of the  
94 9 analysis is required to be submitted to the governor and the  
94 10 general assembly on or before December 31, 2008.

94 11 The bill requires the department of transportation, in  
94 12 cooperation with the office of energy independence and the  
94 13 department of natural resources, to review current funding for  
94 14 public transit and assess the sufficiency of that funding to  
94 15 meet future needs. A report is required to be submitted to  
94 16 the governor and the general assembly on or before December 1,  
94 17 2009.

94 18 DIVISION V == MOTORCYCLE OPERATOR'S LICENSE FEE. The bill  
94 19 increases the additional fee required for a license valid for  
94 20 operation of a motorcycle from \$1 to \$2. Pursuant to current  
94 21 law and as provided in the bill, revenues from those fees are  
94 22 credited to the motorcycle rider education fund.

94 23 DIVISION VI == USE TAX ON MOTOR VEHICLES REPEALED == FEE  
94 24 FOR NEW REGISTRATION IMPOSED. This division of the bill  
94 25 eliminates the imposition of the use tax on motor vehicles  
94 26 subject to registration and the use tax on leased motor  
94 27 vehicles, provides alternate sources of revenue for purposes

94 28 currently funded from revenues derived from the motor vehicle  
94 29 use tax, and establishes a one-time motor vehicle registration  
94 30 fee called the "fee for new registration".

94 31 PART 1 == ROAD USE TAX FUND. Currently, there are several  
94 32 purposes for which motor vehicle use taxes are allocated which  
94 33 are not eligible under Iowa's constitution for funding from  
94 34 motor vehicle registration fees. The bill directs that, prior  
94 35 to allocation from the road use tax fund, an amount equal to  
95 1 10 percent of the revenue collected from the fee for new  
95 2 registration on vehicles other than leased motor vehicles is  
95 3 to be credited monthly to the primary road fund to be used for  
95 4 the commercial and industrial highway network. This continues  
95 5 current funding levels for that purpose.

95 6 The remaining purposes currently funded from vehicle use  
95 7 taxes will continue to be funded under the bill from revenue  
95 8 sources that accrue to the road use tax fund but are not  
95 9 constitutionally protected. Those sources include trailer  
95 10 registration fees, fees from driver's licenses and  
95 11 nonoperator's identification cards, title fees and the  
95 12 certificate of title surcharge, revenues from the automobile  
95 13 rental excise tax, and revenues from the use tax on mobile  
95 14 homes and manufactured homes and on leased vehicles not  
95 15 subject to registration and title. The bill creates a  
95 16 statutory allocations fund under the control of the department  
95 17 of transportation for deposit and distribution of those  
95 18 revenues. Pursuant to current law, revenues from the  
95 19 environmental protection charge on petroleum diminution are  
95 20 deposited into the road use tax fund, and \$4.25 million is  
95 21 credited quarterly from vehicle use tax moneys to the Iowa  
95 22 comprehensive petroleum underground storage tank fund. The  
95 23 bill directs the treasurer of state to credit that same amount  
95 24 to the fund from the statutory allocations fund. After the  
95 25 obligation to the Iowa petroleum underground storage tank fund  
95 26 is met, moneys shall be credited in order of priority as  
95 27 follows:

95 28 1. An amount equal to 4 percent of the revenue collected  
95 29 from the fee for new registration on vehicles other than  
95 30 leased vehicles is to be credited for purposes of public  
95 31 transit assistance.

95 32 2. An amount equal to \$1 per year of license validity for  
95 33 each issued or renewed driver's license valid for the  
95 34 operation of a motorcycle shall be credited to the motorcycle  
95 35 rider education fund. Under the bill, the amount credited  
96 1 doubles to \$2 in conjunction with an increase in the fee in  
96 2 another division of the bill.

96 3 3. Amounts required to be transferred from the sale of  
96 4 special motor vehicle registration plates are to be credited  
96 5 for the various purposes associated with those plates.

96 6 4. Amounts of up to \$2 million per year may be credited to  
96 7 the railway finance authority for payments on obligations  
96 8 certified by the authority and lease payments guaranteed by  
96 9 the authority.

96 10 5. Amounts required for certain projects on bridges over  
96 11 rivers bordering the state, which are not eligible for funding  
96 12 from the road use tax fund, may be credited to the primary  
96 13 road fund at the direction of the department of  
96 14 transportation.

96 15 PART 2 == FEE FOR NEW VEHICLE REGISTRATION. The bill  
96 16 establishes a new vehicle registration fee, referred to as the  
96 17 "fee for new registration", which amounts to 5 percent of the  
96 18 purchase price of a vehicle subject to registration, or 5  
96 19 percent of the leased price for each vehicle subject to  
96 20 registration with a gross vehicle weight rating of less than  
96 21 16,000 pounds, excluding motorcycles and motorized bicycles,  
96 22 which is leased for 12 months or more. The imposition of the  
96 23 fee for new registration is subject to the same exemptions  
96 24 currently applicable to the use tax on vehicles. The bill  
96 25 provides that the computation of a vehicle's purchase price  
96 26 for purposes of the fee for new registration mirrors the  
96 27 computation of "sales price" under current use tax provisions.  
96 28 The director of revenue, in consultation with the department  
96 29 of transportation, shall administer and enforce the fee for  
96 30 new registration as nearly as possible in conjunction with the  
96 31 administration and enforcement of the use tax law.

96 32 The fee for new registration is payable to the county  
96 33 treasurer at the time application is made for a new  
96 34 registration and certificate of title for a vehicle. As is  
96 35 currently the case with the vehicle use tax, the county  
97 1 treasurer shall retain \$1 from the collection of a fee for new  
97 2 registration, to be deposited in the county general fund. The  
97 3 bill provides a mechanism for collection of the fee by

97 4 licensed vehicle dealers at the time a vehicle is purchased  
97 5 and provisions for obtaining a refund of a fee. The bill  
97 6 provides that a person who makes a false statement regarding  
97 7 the purchase price of a vehicle commits a fraudulent practice  
97 8 and is subject to the same penalties that applied for purposes  
97 9 of the use tax on vehicles.

97 10 PART 3 == MOTOR VEHICLE USE TAX == REPEAL. The bill  
97 11 repeals the use tax on vehicles subject to registration and  
97 12 the motor vehicle lease tax, except for the tax on the use of  
97 13 leased vehicles if the lease transaction does not require  
97 14 titling and registration of the vehicle. The use tax on  
97 15 vehicles subject only to a certificate of title, which applies  
97 16 to mobile homes, and on manufactured homes is retained under  
97 17 the bill. The resulting revenue may be used to supplement  
97 18 funding sources for purposes currently funded by vehicle use  
97 19 taxes, with the remainder to be deposited into the road use  
97 20 tax fund.

97 21 PART 4 == CONFORMING AMENDMENTS. The bill contains  
97 22 conforming amendments to the Code relating to the repeal of  
97 23 the use tax on vehicles subject to registration and the  
97 24 establishment of the fee for new registration.

97 25 LSB 5811HZ 82  
97 26 dea/nh/24